

THE AMERICAN REVIEW OF REVIEWS

EDITED BY ALBERT SHAW

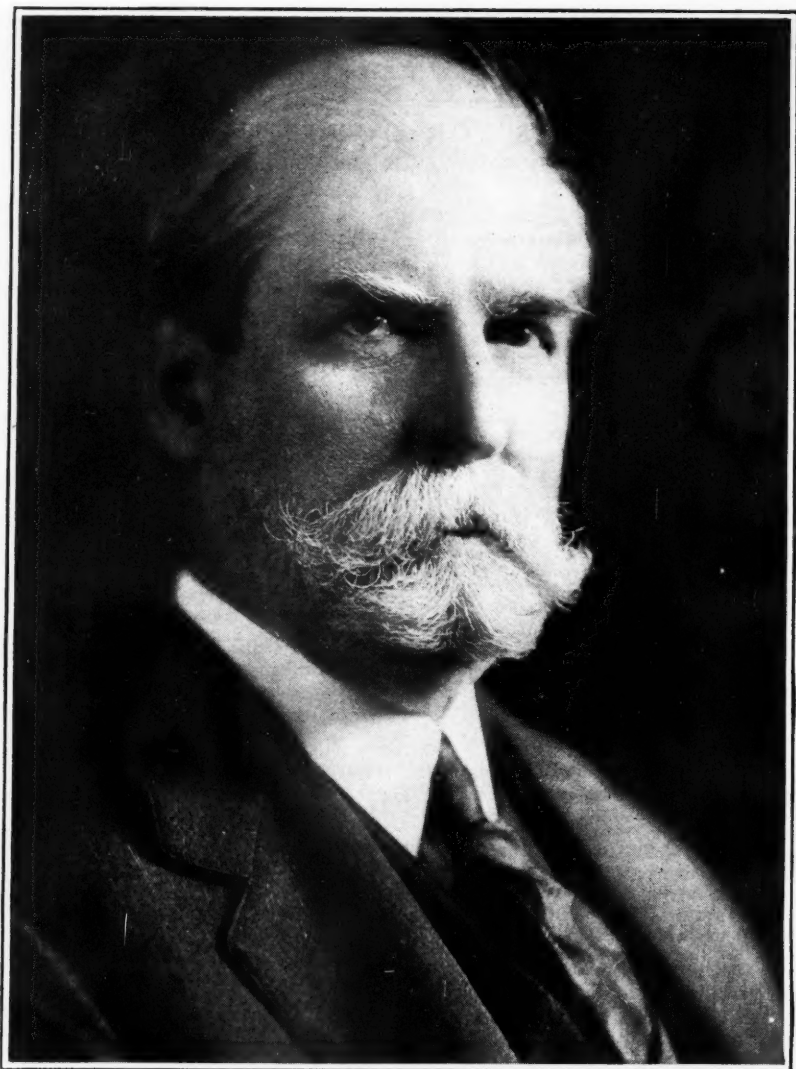
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HON. CHARLES EVANS HUGHES, SECRETARY OF STATE

[Portraits of Mr. Hughes are appearing frequently enough to make his face as familiar as that of any other man in public life except perhaps President Harding. But public men, as they pass from one responsibility to another, often take on a new aspect; and, since Mr. Hughes is upon the whole the outstanding personality among statesmen at home and abroad during the present season, we are reproducing what seems to us his best photograph as Secretary of State. He has found a way to negotiate a peace with Germany that meets the situation. He has brought American influence again into the councils of Europe, without joining the League of Nations. He is working out plans for an international conference at Washington that will give effect, it is hoped, to some of the basic principles of the armistice signed just three years before this conference is to open. His diplomacy is restoring good relations between the United States and Mexico. He is making progress with current Japanese negotiations. He has been aiding in the stabilization of Central America. He is gently and firmly leading the principal Allied powers to a correct application of "mandates" to former German and Turkish possessions. He is coöperating with other Departments for supporting American commerce, while above all he is acting as official exponent of the principles of American justice and good-will]

THE AMERICAN REVIEW OF REVIEWS

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THE PROGRESS OF THE WORLD

*The Return
to Private
Initiative*

However harshly the present Republican Congress may have been criticized by Democratic or independent newspapers, there was no inclination to find fault with the four weeks' recess that Congressmen granted themselves, beginning on August 24 and ending on September 21. Much public business is pending in the shape of unfinished legislation; but wisdom is more to be desired than haste, and an opportunity for lawmakers to confer with their constituents was altogether in the interest of sound judgment, as various matters were approaching culmination. For the most part the country must work out its own salvation, irrespective of what the Government may do or leave undone. It is true, however, that certain courses of action might be adopted at Washington which would greatly aid the people of the country to recover from the slump in business that has caused much unemployment and widespread hardship. Our troubles of various kinds belong simply to the process of transition from public to private initiative. During the war period the Government was directly or indirectly an employer at high wages upon an unprecedented scale. The public authorities dominated all business, all production and exchange of goods. Shipbuilding, munition works, war transportation, the furnishing of supplies to Europe, all called for colossal effort; and the United States Treasury disbursed countless billions which became available through the sale of Liberty bonds and through drastic forms of tax levy upon profits and incomes.

*Clearing the
Way for
Business*

Getting back from the period of Government-directed employment under those war conditions to a period of private employment means that every reasonable effort must be made

to stimulate the prosperity and success of non-governmental industries. Since Government is going out of business, it must let citizens resume business. If current capital that should go into productive undertakings continues to be absorbed by the Government through the sheer inertia of war-time extravagance, the power of private enterprise to employ labor is curtailed, without any compensating benefits from the Government's outlays. Furthermore, if the Government insists upon maintaining methods of taxation which discriminate against accumulated capital that would otherwise be used in active business, the result is to hamper and retard the process of transition from war-time prosperity, on a Government basis, to peace-time prosperity on a private basis. In short, taxation should be held down severely as regards the total amount of the nation's gross income that the Government lays its hands upon. In the second place, the taxes should be so levied and collected as not to prevent business men from doing business and from giving employment. The



CONGRESS ENJOYING A WELL-EARNED REST
From the *Star* (Washington, D. C.)



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SENATOR HOLM O. BURSUM, OF NEW MEXICO

(Serving by temporary appointment of the Governor, Mr. Bursum is the Republican candidate for election by the people of his State next month)

excess-profits taxes, and the unduly high surtaxes on large incomes have defeated their own ends. They have interfered most seriously with the expansion of business and the full utilization of labor, while they have also come short of yielding the revenues to the Government that had been expected.

Economy and Reform

Congress can therefore render the country a major service by adopting current plans of rigid economy in public expenditure, and also by reforming the methods of taxation. In later paragraphs of this editorial résumé we are referring more specifically to the discussion that has been going on regarding the revision of the war system of taxation. The Administration has made an excellent record in its initial application of the new budget system, and its determination to cut down national expenditure is worthy of unanimous support. It has also done its best to aid Congress by information, advice, and suggestion as to desirable changes in the tax laws. President Harding, several weeks ago, wrote a letter, which was duly printed in the *Congressional Record*, and which became public on Septem-

ber 6, reviewing the first half-year of the present Republican régime and praising Congress for what it has accomplished since it was called by Mr. Harding to meet in extra session after his inauguration. Mr. Harding contrasts the wastefulness of war expenditure, and the meagerness of some of the results, with the program of economy that is now accepted at Washington. He does not directly ascribe blame to his Democratic predecessors for war-time expenditure, much of which would have seemed less extravagant if the war had lasted a year longer. He is merely seeking to secure public approval for what is now being attempted by way of a return to normal conditions.

Is the Party Losing Ground?

With all our burdens to bear, we are at least better off, the President points out, than most foreign countries, which even yet, since the end of the war, have not been able to make their incomes balance their current expenditures. His letter, which was addressed to Senator McCormick of Illinois, was desired in order that the Senator might use it for political purposes. A special election is pending in New Mexico to fill the Senate vacancy caused by Senator Fall's transfer to the Cabinet. There is a Republican Governor in New Mexico, and he appointed Mr. Holm O. Bursum to fill the vacant seat until the people could vote in the November election. Mr. McCormick is chairman of a special committee of Republican Senators which is endeavoring to secure a Republican victory, Mr. Bursum being the candidate before the electorate of New Mexico. A Democratic victory in that State would be regarded as indicating a certain recession from the high tide of Republican prestige that was registered in the results of last November. Upon the whole, as one reads not merely the Republican party arguments but also the independent press and that of the opposition, it would seem a reasonable thing to say that President Harding and the Cabinet have grown in public confidence since last March. The so-called teamwork of the Administration has been exceptionally strong and efficient. It is not whispered in well-informed circles among politicians or newspapermen that any one of the members of the Cabinet is coming far short of the expectations of last spring, while, on the contrary, as respects some of the members, it is commonly said that they are "making good" to a degree that has afforded a surprise to critical observers.

*Prestige of
Secretary
Hughes*

The success of Secretary Hughes as head of the State Department is the subject of a bit of clear and definite testimony from the pen of Arthur Wallace Dunn, the veteran Washington correspondent, which is contributed to the present issue of this magazine. The forthcoming conference on the limitation of armament, which will open in Washington on November 11, will be more dependent for wise management and permanent results upon the American Secretary of State than upon any other individual. It is therefore a matter of supreme importance to the entire world that the head of the American delegation should be a man of strong mentality and clear vision as well as of lofty character. Mr. Dunn's article presents Secretary Hughes as a man who truly represents those qualities of the American nation that are so much relied upon in the efforts of the world to find a stable basis for future peace. It would be no kindness to the Harding Administration to overpraise any member of the official group. The Secretary of State is not a superman, but he has earned the confidence of discriminating people to a marked degree; and he is directing our foreign relations in a way that commands our respect and our grateful admiration.

*The Separate
Treaty with
Germany*

While various public personages and certain newspapers—from sincere and unchanged devotion to an earlier point of view—were continuing to say that it would be impossible for the United States to make a separate peace with Germany, and that the only practical course to be pursued would be the ratification of the Versailles Treaty, announcement was made late in August that the impossible had been accomplished without any fuss or strain. The treaty of peace between Germany and the United States was signed at Berlin on August 25 in the office of the Foreign Minister. Our Government was represented by Ellis Loring Dresel, whose title is that of "American Commissioner." The text of the treaty was at once made public. It is not a long treaty, because it is based upon other documents to which it refers. These documents are the armistice of November 11, 1918, the Treaty of Versailles of June 28, 1919, and the joint resolution ending the state of war, passed by Congress and approved by President Harding July 2, 1921. It will be remembered by our readers that this peace resolution of three months ago



MR. ELLIS LORING DRESEL (LEFT) WHO NEGOTIATED THE TREATY WITH GERMANY

(A snapshot in Berlin, with Colonel House as companion)

expressly reserved to the United States and its citizens whatever rights or advantages were accorded by the armistice, the Versailles Treaty, or otherwise as a result of the war.

*Dodging
the League
of Nations*

In this treaty of August 25, Germany fully accepts all those reservations made in the joint resolution; and a number of sections or paragraphs of the Versailles Treaty are referred to as specifying German obligations. It is declared in this new treaty also that the United States is not to be bound by any of the provisions in the Versailles document that relate to the League of Nations, nor is this country to be committed by any of the subsequent actions taken by the League "unless the United States shall expressly give its assent to such action." It is agreed, further, between Germany and the United States that, while this country is privileged to participate in the work of the Reparation Commission, it is not under any obligations in that respect. It will be borne in mind by our readers that Congress had entered upon a four weeks' recess beginning the day before the treaty was signed and ending on September 21. The submission of the new treaty to the Senate for ratification, therefore, had to await the reassembling of

Congress. It was hoped by President Harding that Senate action would be prompt, and it was regarded as quite certain that there would be an ample number of votes (a two-thirds majority is requisite) for giving effect to the instrument.

*Prompt
Acceptance
Likely*

It was of course well known that there would be speeches made by certain Democratic Senators, criticizing this particular way of avoiding membership in the League of Nations while accepting substantially the settlement with Germany that was made by the Paris Conference. Secretary Hughes, however, knows his ground well, and the majority of the Foreign Relations Committee under Secretary Lodge's leadership will undoubtedly secure early ratification of the treaty. It is quite possible to raise technical questions, the answers to which may not convince everybody; but that the treaty ought to be accepted, all things considered, is obvious. It is quite possible that France and other of the Allied governments may desire to have certain points cleared up by a further treaty between the United States and these Allies; but about this there has been no definite information given to the public. As soon as the treaty with Germany is duly ratified, ambassadors will be named, and it is expected that there will be negotiated at Washington between the State Department and the representatives of Germany a new treaty having to do with commerce, extradition, copyrights and trade-marks, and various matters pertaining to the intercourse of the two nations.

*America
and
"Mandates"*

It is reported that the Japanese Government is particularly anxious to have the question of jurisdiction over the Island of Yap fully settled by direct negotiation with the United States, before the meeting of the Conference at Washington in November. It will be remembered that the Yap issue gave opportunity for Mr. Hughes some months ago to write to all of the principal Allied powers discussing not merely the American view regarding the control of a little island in the Pacific which is used by us as a cable station, but also declaring our right to be consulted upon all "mandate" assignments of territory formerly belonging to the defeated powers. Mr. Hughes rested the American position upon the fact that the United States was one of the principal powers in the winning of the

war, and that we could not permit the former German colonies or Turkish provinces to be administered under mandates by any of the victorious powers, in a manner that might discriminate against our interests. The assertion that we must join a particular League of Nations, whether or not we wish to do so, in order that American citizens may have equal rights with those of European powers in Turkey or Africa or the Pacific Islands rests upon bad logic and is without moral force.

*Our Place
in the
Near East*

It was made known last month that, in accordance with the request of the principal powers, Mr. Hughes had further elaborated the American position on mandates and had given particular attention to the claim of Americans to equal rights and treatment in the former possessions of Turkey. The suggestion that we are not entitled to any influence in the adjustment of Turkish affairs on the ground that we were not directly at war with Turkey is unworthy of consideration. A German victory would have been equally a victory for Austria, Bulgaria, and Turkey; and without the colossal efforts of the United States in 1918 there would have been a German victory. Secretary Hughes is not serving the people of the United States alone in his argument that mandates must not be used as a mere cloak for national or imperial expansion by the Allied governments. He is acting as the champion of honorable and right solutions as against bad ones; and he is serving the interests of the whole world, and thus aiding the cause of future peace. It is particularly desirable that our influence should be welcomed in the Near East. An article on Persia in this issue of the REVIEW (see page 415) shows how acute is the need.

*Will Hays
on National
Affairs*

Perhaps the most comprehensive review of the nation's current affairs that has been made in any recent speech or document was that of the Postmaster-General, Will Hays, at Cleveland on September 6. The opportunity was afforded by an annual convention of life insurance men, but the presentation made by Mr. Hays was for the benefit of the entire country. It was replete with information, unusually frank in expressing views upon matters of pending policy, and very felicitous in its tone of hopefulness as well as in its appeal to America's sense of justice and goodwill. Mr. Hays in this speech pays a remark-

able tribute to the qualities of President Harding, as helping to give assurance and to stabilize conditions, through the confidence inspired by a spirit of serenity and of patience, yet of common sense and firm judgment, that emanates from the White House. We must quote a few sentences from this picture of Harding as President:

In one important particular I am better qualified to give an account of the Administration's stewardship than the President himself. He, the most modest and self-effacing of men, would never tell the part that his personality has played. I can.

In its more obvious sense, normalcy in a country is a condition which can be expressed in concrete facts and figures. But in a larger and more important sense, though a more subtle one, normalcy is a psychological condition. It is a state of mind. At any time and under any Presidency, the state of mind of the country is largely influenced by the state of mind of the man in the White House. Placed in so high and so conspicuous a station, emanations from his personality radiate throughout the country, and affect or create the state of mind of the country. The White House is, indeed, "the biggest pulpit in the country." From the man in the White House the country gets much of the inspiration of its own moods. The country is colored by his personality. What he does, what he thinks, what he feels, whatever are the natural and unconscious emanations from his personality, set the key of the country's temper. Intangible and imponderable though this is, it is one of the Presidency's most important functions. Day by day, the country "senses" the qualities of the man in the White House, and if they are qualities that appeal to the good of the common mass of men, the country tends to reflect them, and take them on as its own.

In this present time, the operation of one of those higher laws that work for the world's good has brought to the White House exactly the personality that was needed to lead the country away from the turbulent passions of war back to the normal human nature of peace. If you, throughout the country, have been able to "sense" the curing and restorative qualities of President Harding's personality, much more vividly do we, who serve in contact with him, appreciate him as one whose greatest concern is justice and good faith, who cures excitement with serenity, who meets passion with gentleness, who conquers anger with tolerance, who overcomes violence with patience, who shames greed with unselfishness, whose test for every decision is: "What does good faith call on us to do?" whose approach to every problem is: "Which of these alternatives is just?"

*A Hopeful
View of the
Conference*

Mr. Hays proceeds to comment upon the matter-of-fact, acquiescent manner in which the country and the Senate received the news of the signing of the German peace treaty, as contrasted with the bitter hostility of the relationships between the White House and the

Senate during the two years preceding Mr. Harding's accession to office. Since the Postmaster-General was avowedly speaking "by the book" for the Administration, it is worth while to note the enthusiasm with which he looks forward to the work that may be accomplished by the conference of nations at Washington which President Harding has called into being for next month. His own feeling about this conference must have been derived from the White House and the State Department; and it is no slight thing to be told that the "forces working for its successful consummation . . . will bring a result which will be recognized as the most important meeting of men's minds in all history." It is not small results, but large ones, that this country and the whole world demand from the conference; and Mr. Hays allows us to know that the President means to promote decisive agreements for the settlement of pending questions and the consequent limitation of armament.

*Hays on
Government
Machinery*

It is agreeable to be told explicitly and with some detail that the Administration has not yielded to the pressure at Washington against reform in the machinery of administration. We are assured by Mr. Hays that the difficult task of rearranging bureaus and functions is not to be abandoned because of the obstacles in the way, and that we may expect in due time a new department of Public Works and one of Public Welfare, with sweeping readjustments of all the existing departments in order to put economy and



TROUBLE IN THE CULINARY DEPARTMENT

From the *Star* (Washington, D. C.)

[The Senate insists on Tax Revision first, whereas the House would serve the Tariff]

efficiency into the Government business. There is frankness and sound reasoning in Mr. Hays's discussion of the tax question. He reminds us that the war taxes were levied in the spirit of the draft act. In order to raise money in the largest quantity and with the greatest speed "we went to the place where the money was and took it ruthlessly. . . . It partook of the nature of the commandeering of money." Mr. Hays declares that to continue this system in peace time is to put a burden on thrift and saving, and to encourage the improvident. It would appear that a tax widely distributed and bearing upon consumption, that is to say, some form of sales tax, would be more beneficial to the country because less adverse to those processes of saving and investment which must lie at the base of our future prosperity.

*A Wise
Delay Over
the Tariff*

Mr. Hays expressed some significant views about the tariff situation. The following sentences are well worthy of quotation because they express a widely prevailing opinion:

To thoughtful men there must be approval of a certain hesitation and disposition to be cautious and a determination to be sure footed in the consideration of this subject. If I were to attempt to express a summing up of the present state of mind of Congress and thoughtful men about the tariff, it would seem to me that it amounts to a feeling that the present year is not a good one in which to write a permanent tariff bill to last for many years to come. Conditions throughout the world are too chaotic to be able to foretell exactly what is needed. The very basic condition on which a tariff is built, namely, the cost of manufacturing in various European countries with relation to our own cost of manufacture and the value of the currency of the various European countries with relation to the value of our own currency is at the present moment as fluctuating as quicksand and as unforeseeable in the future as the weather. A dependable tariff built upon such a foundation is difficult, of course. It has been thought by many that we could overcome these handicaps by a device which we called American Valuation, and which provided that all customs duties should be estimated upon the value of goods at the time when they arrive in the United States and in terms of American money. Looking carefully into this, it has been thought that this device might not overcome the handicap and further might have a boomerang effect on our own interests.

There have been some sharp criticisms of Republican leadership in the Senate because the Fordney Tariff bill, coming over from the House weeks ago, has not been forced to a prompt passage by sheer weight of the party majority. But Mr. Hays is quite right in de-

claring that there are times when hesitation and delay are evidences of real statesmanship. There are so many new considerations affecting not merely the different tariff schedules, but, above all, relating themselves to the underlying principles of a tariff policy, that it is wholly wise to defer final action upon the general tariff bill until some time in the year 1922. The more carefully this subject is considered at Washington, the more obvious it becomes that the tariff cannot be rewritten in a partisan spirit; and that the Republicans have much more to lose than to gain by forcing upon the country an elaborate tariff bill bearing the party label and winning its way on old-fashioned tariff arguments.

*Postal
Affairs*

Mr. Hays, on the previous day (Labor Day, September 5), had made a speech at St. Louis before the annual convention of the letter-carriers. This gave him a particularly good opportunity to talk to the country about the business of his own department, the letter-carriers being his official colleagues in what is the largest and the most popular single enterprise in the world; namely, the United States postal service. Mr. Hays tells us that there are 300,000 people employed in this Government service, which has been expanding in the volume of its operations more rapidly than the country has been growing in population. The Post Office is a public institution, and it is also a commercial business. Its motive as an institution is to serve the people and minister to the nation's welfare; and its methods as a commercial business aim at self-support, but not at the making of profits. It is a wholly false and thoroughly pernicious idea that the taxing function of the Government should step over into the sphere of the postal service and meddle with rates and charges, with the purpose of creating a surplus postal revenue which could be covered into the Treasury to help meet the other expenses of Government. Thus it was recently suggested that the domestic letter rate, which was unwisely raised to three cents in the war period, but afterward restored to two cents, should again be increased to three cents.

*Not a
Proper Tax
Agency*

The suggestion did not originate with the Post Office authorities, and it was duly resented and properly squelched. Mr. Hays is serving the public, not levying taxes. Long experience has demonstrated that two cents is the proper

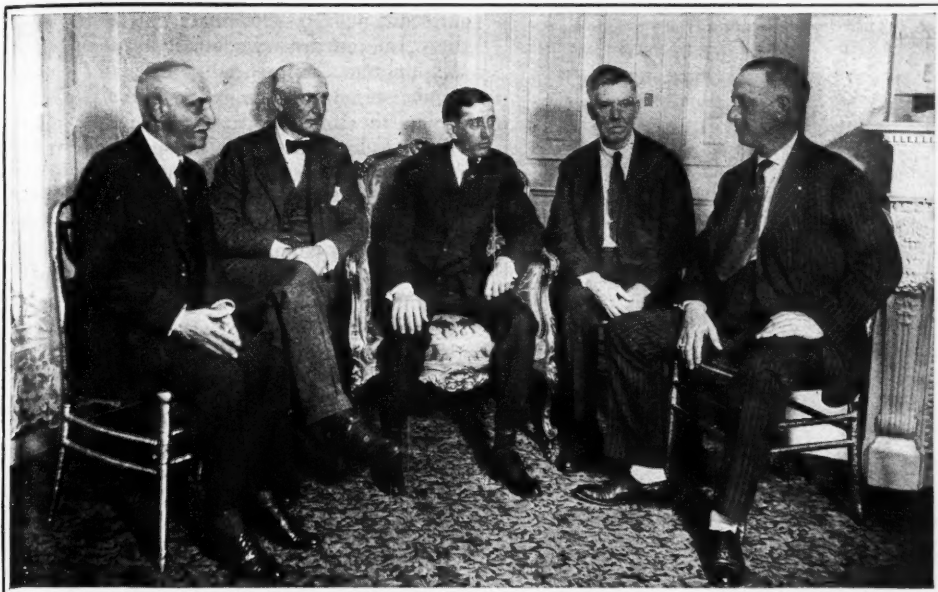
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POSTMASTER-GENERAL HAYS (IN THE CENTER) DISCUSSING POSTAL AFFAIRS WITH A COMMITTEE OF NEW YORK BUSINESS MEN WHO ARE STUDYING THE PROBLEM OF A NEW DOWNTOWN BUILDING

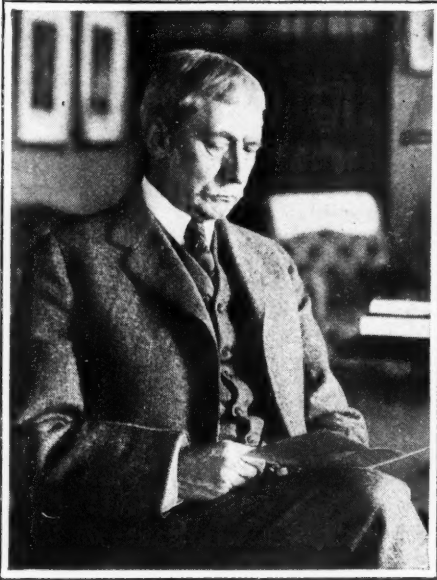
(In the group, from left to right, are: Michael Friedsam and William Fellowes Morgan, two prominent New York merchants; the Postmaster-General; Edward M. Morgan, postmaster at New York; and former Governor Alfred E. Smith)

charge for an ordinary domestic letter. A very improper and wholly foolish system of levying high postal rates, on a zoning system, upon advertising in newspapers and periodicals was forced into the war-tax laws under the leadership of Mr. Kitchin of North Carolina. Advertising not only promotes the general movement of business, upon which the economic welfare of the country rests, but this same advertising is the principal means by which the Post Office service itself is kept solvent and prosperous. The zone tax is not merely in the nature of an assault upon business enterprise, but it attacks the symmetry and efficiency of the postal service itself. Legitimate advertising should be favored and encouraged in every possible way, as one of the avowed motives of the Post Office Department. In this matter Congress is wholly at fault, and not Mr. Hays.

Reform within the Department

The present Postmaster-General has no sympathy at all with the use of the postal service as a partisan machine, and he is putting hope into the hearts of the postal employees by studying their welfare in the most sympathetic spirit. He is facing the problems of all the

different branches of the postal service with courage and intelligence. He proposes, for example, to find out what the parcel-post business really costs; and that is a thing which nobody has heretofore known much about. He is putting the periodicals back into the mails, abandoning the unintelligent "blue-tag" policy which had relegated second-class matter very largely to distribution by freight. He is going to see that a genuine study of costs is made, including that of the handling of newspapers and periodicals. He proposes greatly to extend the postal savings bank system by having the interest rate raised from two per cent. to three per cent., and by securing the coöperation of local newspapers and other agencies for increasing the number of depositors and encouraging thrift. He is working harmoniously with railroads, steamships, and other agencies for the distribution of the mails, and is promoting speed of service, reducing the percentage of errors, and finding various ways of lessening costs without impairing efficiency. Mr. Hays brings fortunate personal qualities to his office. Thus he knows how to utilize whatever may survive as good in the work of his predecessors. He is able to obtain and use the advice of experienced



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HON. ELIHU ROOT, OF NEW YORK

(Who is in his prime at seventy-six and fitted to render invaluable service to mankind in the approaching conference)

men of business and affairs, and he is free from the curious prejudices and misconceptions that have so seriously affected the work of the department at certain times in the past. We shall soon publish a special article on postal affairs.

*The Four
American
Delegates*

The hope that results of a notable kind may be accomplished by the conference on armament limitation and Pacific and Far Eastern questions has been much stimulated by the naming of the four American delegates. It has been known all along that the President would not appoint himself as a delegate, and that Secretary Hughes would head the American group. In due time it was announced that Senator Lodge, as Chairman of the Foreign Relations Committee, would be one of the delegates; and last month we were informed that Mr. Elihu Root and Senator Underwood of Alabama would be named for the other two places. A conference of this kind should not be too large, and it should not be too small. If too large, it ends as did the Paris Conference, by excluding most of the members from real participation, leaving everything of importance to be done by a small inner group. The part taken by President Wilson at Paris rendered the work of the other four American dele-

gates not merely subordinate but mainly futile. In contrast, we shall have in this Washington Conference no delegate whose membership will be merely nominal. Each one of the four selections is a public man of great distinction and of special as well as of general fitness to represent this country.

*They Form an
Outstanding
Group*

The kind of work Mr. Hughes is doing as Secretary of State is summed up in a judicious and convincing way by Mr. Dunn in the article appearing in this number, to which we have already referred. That Mr. Hughes will be the foremost personal figure in the conference is taken for granted on all sides. He will enter the gathering with the advantage of an unsurpassed knowledge of present conditions, due to the position he holds as head of our department of foreign affairs. Mr. Root, who declined last month on the score of age to be considered for the new bench of judges that will form the international court under the League of Nations, is not too old to have lost any of his standing as America's foremost statesman in the sphere of international relations. As Secretary of State, he held the confidence and admiration of all foreign governments, while fully supporting the interests of his own country. Senator Lodge, besides his long experience in public life and his present leadership of the Senate majority, has the well-earned reputation of a scholar and historian. Senator Underwood is a statesman of rare sagacity, enjoying the confidence not only of the Southern States, but of able men of all parties throughout the country. He will be a strong and highly respected member of the American delegation, none the less influential because of his membership in the party now out of power. These four Americans have shown us often enough that they are capable of entertaining large visions; but they are all of them also practical men of affairs. We may feel confident, furthermore, that the selection of these men will be reassuring to Japan, will be wholly satisfactory to the British Dominions, as well as to Great Britain, and will in similar manner prove agreeable to France and the other governments which are to be represented. It seemed likely that the announcement of this American group might influence the other governments to choose for their delegations men of similar eminence. It has been hoped that more than one Prime Minister would come in person.

*Economic
Policies
Now Control*

Mr. Simonds, in his contribution to our present number, contrasts the circumstances of the forthcoming Washington Conference with those of the conference at Paris after the war, which he observed at close range and reported month by month in the pages of this periodical. He shows us very lucidly and logically that economic considerations were sacrificed at Paris to political ambitions, and that Europe and the world have in consequence suffered terribly from the mistakes that were perpetrated by the Big Four and their satellites. Thus if the Hapsburg domains could have been reconstructed in such a way that all the parts might have had ample autonomy of a regional and racial kind, while maintaining the economic unity of Austria-Hungary, much misery might have been averted. It is obvious that France cannot disarm if she has no guaranties for security. It is equally obvious that unless the legitimate interests of the British people are guaranteed, in a less expensive and an even more trustworthy fashion, there can be no abandonment of the claim that the British navy must be foremost regardless of cost. England has too many people to be strictly self-contained, and must therefore import more than half of her foodstuffs. Furthermore, in order that her people may be able to pay for food, they must also manufacture goods for export and must have assured access to their overseas markets.

*America and
the British
Problem*

The logic of present conditions gives the British Dominions and other outlying parts of the British Empire the feeling that they need some kind of protection for their further development, besides what they can individually provide for themselves. And until something else is available, they will prefer to rely upon the British Navy. But it so happens that there are no proper interests of the British people, and of the various parts of the British Empire, which are not wholly compatible with the proper interests in the world of the people of the United States. The kind of naval protection that can be relied upon is too expensive for any one Government. There is no reason, therefore, in the nature of things, why Great Britain and the United States should not henceforth agree that they would not create navies in a spirit of rivalry with one another. The Government and people of Great Britain are trustworthy, and so are those of Canada, Australia, and

the other Dominions. In like manner, the Government and people of the United States are trustworthy. All these peoples therefore can be relied upon to respect agreements that are entered into with deliberation and care, and that are for the common good. The British, after agreeing upon terms and conditions, could afford to subsidize the American navy as a "mandatory" for guarding the seas. In like manner, the Americans, after an agreement upon various conditions, could afford to reduce their own navy and subsidize the British. But it is quite possible that to gain full assent for either of these propositions would require more knowledge and experience than is now available, to offset traditional prejudices. A more likely plan, therefore, would be an agreement for greatly curtailing naval expenditure by substituting the principle of coöperation for that of competition, and finding some wise plan for reducing taxation. The unfortunate deadlock in Irish negotiations last month was deeply regretted in the United States as well as in London and



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HON. OSCAR W. UNDERWOOD, OF ALABAMA

(Mr. Underwood is the leader of the Democratic minority in the Senate, where he has this year entered upon another six-year term. As former leader of the Democrats in the House, he was the chief author in 1913 of the general tariff law which is still in force)

Dublin, but it is a mistake to imagine that the Irish question will be allowed to mar the harmony of the Washington Conference.

*Regard for
Needs of
Other Nations*

It becomes more apparent every day that the conference is to be less concerned about the machinery of international reconstruction than about the settling of actual issues and the creation of confidence and friendship. America is in a position to be of immense service by considering the common good as paramount to the ambitions of any one government. Underlying almost every international problem is the changing character of population entities. If Germany had not grown so fast in numbers compared with certain other countries the attempt to dominate by force would not have been made. The British position henceforth would be more secure if there should set in a strong migration from the mother country to the Dominions and Colonies. Meanwhile, we must all show due regard for the plain fact that a large part of the British population must be supported by foreign trade. There is ample room yet in the United States for population growth and for the expansion of the home market. Speaking relatively, it is better for us to consume our own food and make our own textile, metallic, and chemical wares than for us to strive with intense energy to take away foreign trade from nations to which such trade is vital.

*As to Our
Maritime
Supremacy*

Similar considerations may be urged in the debate on the question of our merchant marine. It is natural that we should wish to see the American flag flying on all the seas and in the ports and harbors of every foreign land. But, in the nature of the case, there are maritime powers much more vitally dependent upon finding employment for their capital and their labor in the business of ocean freighting than is America; for there still remains to us a larger opportunity for work and for profit in the continued development of our land resources and industries than in maritime pursuits. Thus it is not merely in the field of naval armament that rivalries ought to be checked and restrained. It is almost equally true that a nation like ours should not deliberately adopt trade policies that would tempt other nations, through sheer economic necessity, to cherish bitter feeling or to think and plan in terms of future hostility.

*Japan's
Actual
Situation*

The situation in the Far East involves many difficulties, and it will be a great triumph for the conference if these can be removed in whole or in considerable part. Japan has become a great military and naval power. She is led by men of intellectual brilliancy and of daring ambitions. These men have behind them a nation in which race consciousness and unity are the strongest motives. The Japanese population is growing very rapidly, and Japanese policies are not opposed and restrained by any similarly definite and powerful programs on the part of Asiatic neighbors. China is torn to pieces by internal dissensions, and is incoherent as an international factor. Russia has vanished from the scene as a naval and military power offering challenge to Japan on the Pacific coasts of Asia. British political interests in Asia do not conflict with those of Japan. It is for the best interests of all concerned that the Chinese people, who are making much progress in other respects, should acquire training in patriotism, and should become capable in the art of government. China's weakness is Japan's misfortune.

*Japan Should
Work
With China*

As matters now stand, Japan is undoubtedly entitled to the leading place in any international discussion of Asiatic affairs. The breach between North China and South China should be healed at the first possible moment, and Japan should aid in this solution in order that she may have the advantage of dealing with a thoroughly responsible government at Peking. In order that she may enter the conference at Washington side by side with a friendly rather than with a suspicious or dissenting Chinese delegation, Japan is endeavoring to reach agreements about Shantung and other questions by direct negotiations with the Peking Government. In the larger view, a very close economic relationship between Japan and China would be advantageous for both. If China were united and strong, it ought to be possible to make a commercial treaty that would assure to Japan the iron ore and other supplies that she needs, on terms that would be profitable in every way to China.

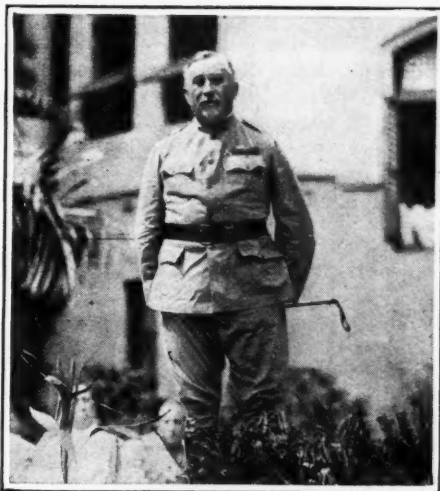
*We Must
Clarify Our
Pacific Policy*

It becomes imperative that we should know clearly the nature of our interest in the development of commerce and civilization on the coasts and in the islands and waters of the Pacific. Japan and China accept the fact

that we are reserving our Pacific Coast States for the growth of white populations, not because we regard the Japanese or the Chinese as our inferiors—for indeed in some important respects they are superior—but because it is reasonable that we should seek to develop on lines of racial unity, just as it is reasonable for Japan and China themselves to proceed in the same spirit. It now appears that the Japanese do not like our creation of strong naval bases in the Hawaiian and Philippine Islands. It must be made perfectly clear, therefore, to Japan that we have no intention to assume dominance in the Pacific, and seek nothing but security for acknowledged rights. Our Philippine policy must be one that we shall gladly subject to the closest international scrutiny. We are publishing this month an article by a most competent writer which deals principally with education under American auspices in the Philippine Islands, but which also bears strongly upon the whole question of the present and future place that the United States is to hold in those important islands.

*Our Future
in the
Philippines*

The representative Filipino politicians in large majority are asking for independence under some form of an American protectorate. There is no disposition in the United States to refuse independence, if that is a timely and proper step to take. General Leonard Wood and Mr. W. Cameron Forbes (a former Governor-General of the Philippines) have completed their extensive investigation in all parts of the islands, and Mr. Forbes is soon to return, bringing their report, while General Wood is to take up the duties of the office of Governor-General after completing his visit to China, Korea, and Japan. Reports of recent remarks made in public by Mr. Forbes would indicate that the members of this special mission are not out of sympathy with Filipino aspirations, but that they are convinced that the Archipelago is not yet strong enough in the economic sense and that a much larger number of young Filipinos trained in the modern schools ought to arrive at maturity before independence becomes a realized fact. If definite preparations should be made looking toward independence twenty years hence, the period would be a very short one, measured in historic time; and the Filipinos would be far better prepared to support their own achievements and to take an influential part in the future progress of the peoples of the Pacific Ocean



GENERAL LEONARD WOOD IN THE PHILIPPINES
(Delivering an open-air address at Manila)

than if they were launched prematurely upon a career of independence. Fortunately, General Wood's opinions are influential with the island people.

*The Right
Men Are
at Hand*

The Harding Administration and the members of our delegation in the Peace Conference are singularly well prepared to deal with these Pacific and Far Eastern matters. Mr. Root, as Secretary of War, established our system of government in the Philippines and other insular dependencies. At a later time, as Secretary of State, Mr. Root conducted amicable negotiations with Japan. Thus the Japanese, as well as all the other delegations to the conference, will find themselves in touch with genuinely friendly American statesmen, and will also breathe the atmosphere of a country that admires Japan's achievements and that seeks to maintain Japan's friendship and confidence. The approach of the conference coincides with the completion and dedication in China of what is by far the most important center for medical training and research on the entire Asiatic continent. Among the several large projects of useful service to mankind that Mr. John D. Rockefeller is supporting through carefully organized boards, perhaps none will have more far-reaching effects than the work of the China Medical Board, which for several years has been going forward, quietly but upon well-considered plans, and with almost unlimited resources.



A GLIMPSE OF THE NEW MEDICAL BUILDINGS OF THE PEKING UNION MEDICAL COLLEGE, ERECTED BY THE ROCKEFELLER FOUNDATION AND DEDICATED LAST MONTH IN THE PRESENCE OF DISTINGUISHED VISITORS

*Americans
Working in
China*

American missionary work in China for two generations past has been laying a steadily increasing emphasis upon educational and medical work. With its hundreds of millions of people, China's need of modernly trained physicians and nurses, and of instruction in public and private hygiene, has been far beyond the capacity of existing agencies. The time will come when the Chinese people will help themselves in these respects, as in others; but self-help can be best stimulated by the kind of work that has been laid out for itself by Mr. Rockefeller's board. While American in support and general direction, the professional staff of these new institutions has been recruited from more than one country, and will be international in more than one sense. It is in ways like these that America is doing most to bring about future relationships of mutual good-will between the Occident and the Orient. The recent famine in China was greatly alleviated by American contributions of money and food. This country seeks no political authority or responsibility in the Far East, and will not be sorry when the proper time comes to withdraw from the Philippines, having first, however, made a record of lasting significance. We are giving to the people of those islands the legacy of the English language, as a common tongue by means of which they can overcome the dis-

uniting effect of their different languages and dialects. We are helping them to establish firmly the security that goes with good policing and good courts of justice; the opportunities afforded by good schools; and the benefits of modern health administration. When our work is done, we shall set the example of full withdrawal in the sense of political sovereignty, although it is to be hoped that we shall retain intimate relationships of all other kinds.

*Helping Russia
under
Difficulties*

Asiatic problems are not confined to those to which Japan has an immediate relation. The Soviet authorities of Russia have been seeking with apparent success to obtain dominant influence in Afghanistan, as if to menace British control in adjacent regions of India. It is not, of course, the military menace that is serious, but rather the menace of Bolshevik propaganda. The present Russian method is to foment discontent and encourage rebellion wherever possible. What the Soviet influence has accomplished in Persia is stated in strong terms, but probably with no exaggeration, in an article contributed to this number of the REVIEW by a well-informed student of Asiatic questions who pleads for a larger exercise of American influence. In spite of the unpleasant manners and methods of the Soviet despots, American relief work

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has actually begun on a considerable scale among refugees from the famine districts, and it is penetrating the stricken provinces themselves. Apparently these Soviet officials view the famine principally from the standpoint of their own retention of power. They seem to feel that too great a famine might engulf them in ruin, but, on the other hand, they fear lest large measures of relief from America and elsewhere might strengthen a successful revolt under international encouragement. It is a test of the breadth and unselfishness of American generosity that it should enter Russia at all under such conditions.

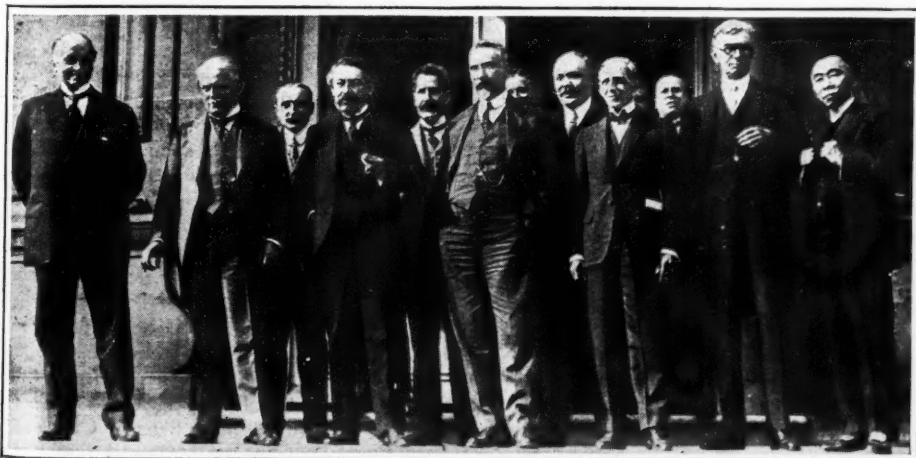
*Better
Relations
with Mexico*

There is some new encouragement for those who have held to the belief that Mexico and the United States might reestablish normal relations with one another in the near future. The Supreme Court of Mexico has passed upon the retroactive features of the present constitution in relation to property rights. We had claimed that rights of title in oil properties, in mines, and so on, which had been secured in former periods under Mexican law, could not be virtually confiscated by a new theory of national ownership, or under guise of taxation. Since the highest Mexican court now upholds the position taken by our State Department, it is understood that the Obregon Government will respect the decision of its own judiciary, and that American

business activities will once more find protection in Mexico. It is also encouraging to know that Mexico's public finances are to be rehabilitated, and that Mr. Thomas W. Lamont, of New York, representing American and European bankers and bondholders, has accepted an invitation to go to Mexico and aid in a plan for strengthening Mexican credit by finding support for existing obligations. It would give great satisfaction in the United States if full diplomatic relations were reestablished between Washington and the city of Mexico before the assembling of the conference in November. It should be noted that representatives of American oil companies owning Mexican properties have been taking part in friendly negotiations in Mexico, to settle the taxation problem on a basis that will give the Mexican Government a fair revenue without injustice to the industry.

*The Dispute
in
South America*

The long-standing dispute between Chile and Peru over the provinces of Tacna and Arica—a dispute in which Bolivia has vital interests because of her desire to acquire sea frontage of her own—came before the Assembly of the League of Nations meeting at Geneva last month. The point of view of Bolivia had shifted somewhat, by reason of a change of administration which has seemed to associate Bolivia more closely with Peru, and



THE SO-CALLED "SUPREME COUNCIL", AS PHOTOGRAPHED ON THE STEPS OF THE FOREIGN OFFICE BUILDING IN PARIS

(Although the full Assembly of the League of Nations—which, with the admission of Latvia and Esthonia, now includes representatives of fifty countries—and also the smaller group known as the Council of the League, were in session last month at Geneva, it was perfectly obvious to all who were present that the League does not yet exercise any real authority, because the control of international affairs is retained by the group of government heads which calls itself the Supreme Council. In the photograph above, in the front row, are Lord Curzon and Mr. Lloyd George, of the British Government; Premier Briand, of France; Premier Bonomi, of Italy; M. Locheur, of France; Ambassador Harvey [sitting by courtesy as an American observer] and Viscount Hayashi, of Japan)



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HON. JOHN BASSETT MOORE, OF NEW YORK

has made her for the moment appear as a principal in the argument against Chile's contention. The Chileans at Geneva urged the Monroe Doctrine; but the Bolivians declared that the United States had no objection at all to any kind of intervention or friendly inquiry that would help the three South American countries to agree upon a final solution. The League of Nations Assembly kept itself one or two removes away from the problem itself, by entertaining the question whether or not there was any phase of the matter that might properly be taken up. A committee is considering this question, but without any active South American interest. It would be a triumph of neighborly good-will if the three countries concerned should themselves get together and agree upon a settlement.

*Judges for
a World
Tribunal*

Our readers will remember that last year a group of jurists formulated a plan for an international court of justice, such a body being contemplated by a provision of the covenant of the League of Nations. Mr. Elihu Root was one of the foremost of the jurists who made the plan. Last month the Assembly of the League of Nations selected judges who were

to serve as members of this tribunal; and it was much desired that Mr. Root should be made a member, with a view to having him serve as chief justice or presiding officer of the bench. Mr. Root, who is now seventy-six, declined to have his name considered on the score of his age. It was the opinion here at home that he could render more important international services as a member of our delegation in the forthcoming conference than as one of the judges of the new court. Hon. John Bassett Moore, of New York, was elected, as were two Latin Americans, one Englishman, a Spaniard, a Dutch jurist, one from Switzerland, and several others. Mr. Moore is well known as a great authority in the field of international law and diplomacy, who has served in the State Department at different times and is the author of monumental works. He is eminently qualified to serve on an international court. He is a Virginian by birth and has for a long time been Professor of International Law in Columbia University, New York. It should be said that this International Court of Justice, although formed under the League of Nations, is perfectly capable of functioning separately, and could be maintained by international agreement even if the League of Nations should at some time be superseded.

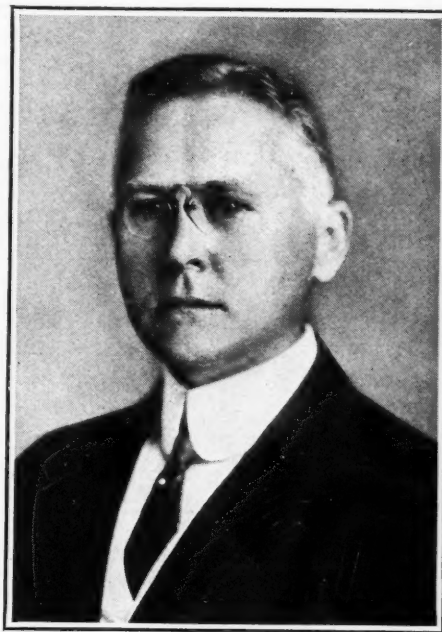
*New York's
Municipal
Contest*

The most striking political event of the last month was the primary election in New York City for the selection of candidates to be voted upon in the municipal election of November 8. It has been known all along that the Tammany Democracy would nominate Mayor Hylan to succeed himself. The principal contest was in the Republican primaries. While the total vote was not large as compared with the full number of registered party voters, it was sufficiently extensive and active to present an illustration of the occasional value of the primary election method. As our readers will remember, there had been a selection, by a Coalition Committee, of candidates who might secure the support of all anti-Tammany elements. This preliminary conference had chosen Mr. Henry H. Curran for Mayor, State Senator Charles C. Lockwood for Comptroller, and a Democrat, Mr. Vincent Gilroy, for President of the Board of Aldermen, these three being the offices to be filled on general ticket by the entire metropolis. The Republican primaries ratified these Coalition selections by very strong majorities.



Photographs © W. W. Foster, Richmond

HON. E. LEE TRINKLE, DEMOCRATIC NOMINEE



COL. H. W. ANDERSON, REPUBLICAN NOMINEE

THE RIVAL CANDIDATES IN THE PENDING CONTEST FOR THE GOVERNORSHIP OF VIRGINIA

*Women
Influential in
New York*

Three other mayoralty candidates appeared and conducted active campaigns. All of them accepted Curran's victory with cordial goodwill. One of them, Judge Haskell, was regarded as making his fight principally on an appeal to the "wet" vote. It is admitted that the women who entered the primaries voted very strongly for Mr. Curran; and it is the undisputed opinion that the women intended to emphasize their support of prohibition, and the strict enforcement of laws affecting social and educational conditions. We are publishing an article (see page 382) which Dr. Ettinger, Superintendent of Education of New York City, has written at our request upon the occasion of the opening of a new school year for about one million children and young people of the metropolis. The provision of new schools has not been rapid enough to take care of the increase of school population. There are sharp disputes as to the extent to which Mayor Hylan and the present city government should be blamed for this condition. The outstanding fact remains that, regardless of party, the people of the city are overwhelmingly devoted to the policy of providing good schools for all the children, as the basis of our future welfare and prosperity. Mr.

Oct.—2

Curran and his co-nominees are capable and experienced men who may be confidently expected, if elected in November, to give New York, for the four years beginning January next, an administration of the finances and of the various services of New York that will be on the highest plane of character and efficiency.

*Virginia
and the
"Solid South"*

This is not an autumn of numerous State campaigns, Massachusetts having given up her annual election of Governors, and a great majority of the States holding their contests in the even rather than the odd years. We have already referred to the special election in New Mexico to fill the Senate seat vacated by Secretary Fall. An interesting State campaign is under way in Virginia, however, where the Republicans have entered the field under new conditions. It has for a long time been taken for granted that the governorship was settled in the Democratic primaries of August. This year, the most widely known Democratic candidate was the Hon. Henry St. George Tucker, but he was defeated for the nomination by Mr. E. Lee Trinkle. Mr. Trinkle has served in the State Senate, and seems to have appealed especially to prohibi-



GOV. EPHRIAM A. MORGAN, OF WEST VIRGINIA, AND BRIG.-GEN. H. H. BANDHOLTZ, OF THE UNITED STATES ARMY

(Conferring over the situation produced in the mining regions by the insurrection of thousands of strikers)

tionists and farmers. The present Republican movement is not one of invasion from without, but is strictly Virginian in its inception and in its objects. It does not profess to be seeking to bring Virginia to the support of national Republican policy, but it does seek on the other hand to make Virginia a State of two parties, and to compel the Democrats to reform their political machine and not to presume to govern the State through inferior men or upon a low plane. The nominee for Governor is Hon. Henry W. Anderson, of Richmond, a distinguished lawyer and a citizen of the highest standing. With the rank of Colonel, Mr. Anderson served abroad during the war as one of the principal leaders in Red Cross work. The Republicans under Colonel Anderson's leadership do not propose to array the colored voters against the Democrats, but prefer that, as negroes come into the exercise of their political rights, they should not act as a racial unit but should join both parties. Virginia is a very strong Democratic State; but Colonel Anderson is preaching the doctrine that good government requires the emergence of a second party in the "Solid South."

*West Virginia
and the
Miners' War*

The protracted strikes of bituminous coal miners in the West Virginia fields had been assuming an increasingly serious character, until at length a state of civil war had come into

existence in Mingo County and adjacent mining districts. Many thousands of miners were under arms, and against them were improvised armies of deputy sheriffs, together with State troops called out by Governor Morgan. As the situation became more menacing, the President and the Secretary of War recognized the call of the Governor for Federal aid, and the situation was placed in the hands of Brig.-Gen. H. H. Bandholtz, who undertook to restore peace and order in the name of the United States without undue use of force. His tactful methods last month secured acquiescence on the part of the leaders of the miners' unions, and the local reign

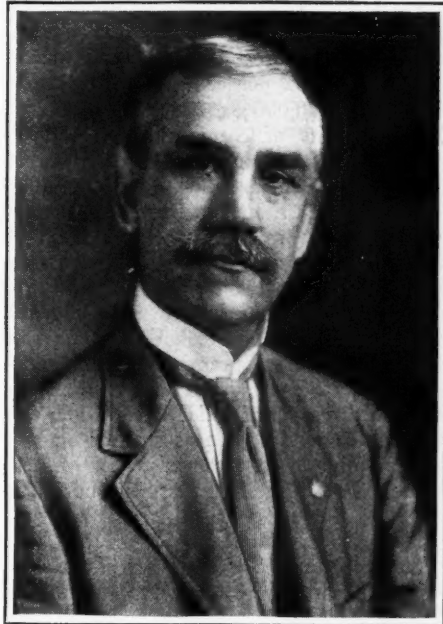
of violence came to an end. Federal troops remain in West Virginia, and the industrial questions at issue between the operators and the miners are not yet adjusted. The situation is complicated; but it might have been dealt with many months ago if there had been a proper method of public investigation and report on the matters in dispute between the employers and the men. Whatever may be the justification for the attitude of the operators during the present season, it must be admitted that the troubles in West Virginia have grown out of real grievances on the part of the miners during previous periods. A candid study of coal-mining would seem to lead disinterested people to the conclusion that in no other industry has there been better ground for unionizing the men, in order that there might be a basis for collective bargaining with agreements beneficial alike to the workers, the employers, and the public. Governor Morgan, on September 15, speaking to West Virginia bankers, reviewed the recent disorders, pointing to some of the causes and promising a higher assertion of State authority as against the two contending interests that had habitually taken the law into their own hands. Senator Kenyon also announced that members of the Committee on Education and Labor would start a tentative investigation. The thing most needed now is the turning of a searchlight upon the underlying facts and conditions.

Hops
for Tax
Revision

The Administration and Congress are acutely conscious that the country is counting on a reduction of taxes. During the recess of Congress, the Senate Finance Committee remained at work, wrestling with the House bill that had been turned over to it. Enough was known of its deliberations, before Congress met again, to give assurance that the measure evolved by it would not be notably different from the measure that was passed in the House of Representatives. The task is no small one. Not only is it proving almost impossible to cut down expenditures to a degree that will allow any radical lessening of the tax burden, but, even assuming that this is done, the Republican members themselves are far from being of one mind as to how the money should be raised. The most serious bone of contention is going to be the repeal of the excess-profits tax. The country at large undoubtedly desires its repeal, and business men are practically a unit in demanding it. Moreover, even if we should be willing to put up with its inequalities, the tax has progressed far toward the vanishing point of productiveness. Yet there is persistent opposition to its repeal on the ground that it is the one tax that is levied on the successful and not on the unsuccessful. There is too strong a temptation to make political capital out of this theory.

Secretary
Mellon's New
Proposals

On September 8, Secretary of the Treasury Mellon made certain new recommendations to the Senate Finance Committee that are understood to represent the Administration's final judgment as to the details of the forthcoming revenue measure. The most important of these are: (1) The repeal of the excess-profits tax (to be retroactive from January 1, 1921); (2) reduction of the higher surtaxes on individual incomes to a maximum of 25 per cent.; (3) repeal of the transportation taxes 50 per cent., beginning on the first of 1922, and the remainder beginning on the first of January, 1923; (4) to make up for the income thus lost, an increase in the corporation income tax to 15 per cent., beginning January 1, 1921; (5) a tax on proprietary medicines and cosmetics beginning January 1, 1922; and (6) elimination of the capital stock tax on the same date. It will be remembered that in the bill passed by the House and now being amended by the Senate Committee, the excess-profits tax is to continue until the first of next year, the



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SENATOR REED SMOOT, OF UTAH

(Who last month offered a simplified substitute for the Revenue bill pending in Congress)

corporation income tax is put at 12½ per cent., the maximum surtax rate at 32 per cent., and the transportation taxes are to be dropped on the first of next year. It is estimated that a bill drafted on the lines suggested by Secretary Mellon would raise about \$3,300,000,000 in the fiscal year 1922. There will undoubtedly be a struggle over the reduction of the maximum surtax rate, and most observers look for a compromise on a rate something like 30 per cent, instead of the 25 per cent. asked for by the Secretary of the Treasury. Many regard the Secretary's proposal of a tax on proprietary medicines and cosmetics, using the manufacturers' or importers' selling price, as the opening wedge for a general sales tax.

Senator Smoot
Offers
a Substitute

Ranking high among the Republican members of the Senate Finance Committee, and one of the clearest-headed and ablest men in either house of Congress when it comes to financial matters, Senator Smoot has announced that he is dissatisfied with the whole structure of the revenue measure sent up from the House, and is drafting a new one to offer as a substitute. Its distinctions are simplicity and ease of operation. Senator Smoot would

repeal every tax law in existence and raise the necessary money from six sources. The Senator estimates that income taxes, with a maximum rate of 32 per cent., would bring in about \$830,000,000; a 10 per cent. tax on the net profits of corporations, \$445,000,000; the present tobacco and estate taxes, \$405,000,000; import duties perhaps \$400,000,000; and last, but not least, a 3 per cent. manufacturers' sales tax, \$1,200,000,000. The Senator is able to show that with receipts from back taxes and from salvaged war material amounting to \$540,000,000, and from the tax on alcoholic beverages of \$75,000,000, his program would raise altogether \$3,895,000,000. Taxpayers at large would draw sighs of relief if so simple and easily understood a plan as Senator Smoot's could really come into existence. There seems, however, to be at present but little possibility for it, politically speaking. Its backbone is, of course, the 3 per cent. tax on manufacturers' sales; and while this is cleverly limited to minimize the ever-ready objections based on taxing the purchases of the poor, it is highly doubtful whether a sufficient number of Congressmen can be found at this time willing to give their political enemies the chance that advocacy of any sales tax would afford.

*Plan to
Consolidate
Railroads*

Only a few months ago the proposed plan to consolidate the country's railroads into a few great systems was looked on as a matter of large moment, and it was thought that the definite scheme to be worked out by the Interstate Commerce Commission would be of very immediate interest and importance to the railroads, the public, and the stock mar-

ket. Now that a detailed plan for it has been published by the Commission after long study by its expert, W. Z. Ripley, professor of transportation at Harvard, very little attention is being paid to the matter. The railroads have so many current troubles that they are loath to tackle any new problem of such magnitude. It is felt, too, that until the income of the roads has come to a point somewhere nearer normal, with the prices of their securities reflecting the improvement, it would be very upsetting to attempt anything radical in the way of consolidations. The Commission's plan provides for a reduction of the number of Class 1 roads from two hundred and three to twenty, or less. Just twenty new groups are proposed and laid out on paper, but several of them are alternative suggestions.

*An Offspring
of the
Esch Act*

This great project of consolidation is a part of the outworking of the Esch-Cummins Act, passed in February, 1920, which revolutionized the relations of the Government with the railroads, especially in the matter of rate-making and earnings. Before this, for thirty years the railroads had been prohibited by the Sherman Anti-Trust Law from merging competing lines. It will be remembered that in the famous Northern Securities case the intent of the Sherman Law was thus clearly construed by the Supreme Court. The act of 1920 deliberately excepted the railroads from the operations of the Sherman Act, and specifically authorized and encouraged railroad companies to consolidate under certain conditions. These conditions were that any such consolidation must be in harmony with the plan to be laid out by the Interstate Commerce Commission; the securities of a new consolidated corporation taken at par must not exceed the value of the merged properties as determined by the Commission; and public hearings must be had before the Commission to determine whether any particular consolidation is in the public interest. A fundamental difficulty in the way of beginning any practical work in consolidating is the objection of the strong roads to be linked up with the weak. The latter may be very ready for consolidation; but where a road, through its fortunate geographical location, fine equipment and able management, can produce transportation at much lower cost than its neighbor, it will be difficult to persuade it that there will be advantage in a merger to effect an average



ABOUT TO GET HIS
From the *News-Press* (St. Joseph, Mo.)

result. The history of our railroads has too many instances of strong roads beginning the downward path to weakness through taking in their less fortunate brethren.

*Convulsions
in Cotton
Market*

The Department of Agriculture's last report on the year's cotton crop was the most remarkable one ever made. It has been known that the cotton acreage planted this year was very much smaller than normal, the deficiency being generally estimated at something like 25 per cent. But the August report showed that not only had there been the unprecedented cut in acreage; the yield to the acre is this year only 127 pounds as compared with 178 pounds in 1920. The result is that the Department estimates this year's crop at only 7,037,000 bales, compared with an actual crop last year of 13,439,000. The carry-over from last year was very large, but nothing like enough to allow for this tremendous shrinkage in the new crop, and the price of the staple promptly began to soar from the level of 11 or 12 cents to which it had fallen from its war-time peak of 42 cents. Before the middle of September certain cotton futures were quoted around 22 cents. This episode has done much to rescue the Southern planter from his desperate financial plight. It is true that a great part of the cotton carried over from previous crops had passed from the ownership of the farmers to the bankers and others who had loaned money on it. The higher price will, however, enable the lenders to sell the cotton taken as security and clean up the farmers' notes, giving them good credit again. Of the crops other than cotton, the Government report shows a normal yield of corn, a slightly smaller crop of wheat than last year's, and a considerably reduced yield of oats. Looking at the wheat crop of the whole world, one finds that in spite of the unprecedented drought of the summer in Europe and elsewhere, the total production will be above last year's. The Department of Agriculture places the combined crop of the twenty principal wheat-growing countries of the world at 2,461,000,000 bushels. Last year's figure was 2,384,000,000 bushels.

*Signs of
Business
Recovery*

Prof. J. Laurence Laughlin's article in this issue of the REVIEW OF REVIEWS describing the factors which are making, or will soon make, for a recovery from the present stagnation in trade, happens to have been writ-

ten almost simultaneously with the actual appearance of certain encouraging signs in industry and in the securities market. The first week of September brought a distinct revival of speculative activity, though there is no overweening confidence that the extraordinary depression of the past half year is going to give way at once to a period of intense activity and "boom" times. The general feeling, supplemented by the confident prediction of Mr. Will H. Hayes and others that good times are ahead, is that the corner has been turned, and that most businesses are out of their troubles and on the road to reasonable prosperity. The United States Steel Corporation, for the first time since deflation set in, makes a report of unfilled orders that shows a less discouraging trend in the matter of new business. The textile trades are busy and are making average profits. The equipment companies, manufacturing locomotives and passenger and freight cars, are receiving enough foreign orders from China, South America, Rumania, and other European countries to keep them, with their domestic business added, fairly prosperous. The copper mines have shut down to a little over a tenth of their capacity production, and the world demand is slowly but surely removing the enormous surplus of copper metal that resulted from so sudden a drop in demand after the vast productive expansion to fill the needs of war. When these surplus stocks have been reduced sufficiently the price of the metal will soon reflect the new situation and allow the mines to reopen and make profits. The petroleum industry is not making so much headway toward recovery; being the last to suffer, it may be also the last to revive. It may be necessary to await the normal slackening in flow of many wells before the actual present pause in new drilling will have an important effect toward bringing production to a proper relation with consumption. But with all the constantly arriving new uses for petroleum and its by-products, not the least concern is felt as to the ultimate strength of the oil business, and it has a way of "coming back" almost overnight.

*Automobile
Prices
Tumbling*

The one great essential for the resumption of full activity in business is for an orderly readjustment of wages and resulting costs of production that will bring the costs and prices of different groups of producers into harmonious relation with each other. When,

for instance, transportation has to be produced with labor that costs twice as much as the outside market price for the same grade of labor, other groups that are suffering from a great drop in the price of their products—as is the case with farmers—cannot buy transportation freely or the goods manufactured and transported with high wage costs. During the past month the process of readjustment in prices has been marked by spectacular cuts in the prices of automobiles. Mr. Henry Ford, who makes more than twice as many automobiles as all other American manufacturers combined, announced on September 1 that his touring cars were reduced in price to \$355—below even the price prevailing in 1917. Six other prominent automobile manufacturers promptly followed Mr. Ford's example, these September reductions being the second or third in this year. One make of car sold by tens of thousands cost a year ago \$1035; today the price is \$595. A larger model cost last year \$2300 and now sells for \$1525. The question remains whether cars can be produced at a profit with the new prices. Mr. Ford can undoubtedly make huge profits, and a number of other manufacturers strongly entrenched in public favor and cash resources, and with efficient management, will undoubtedly continue to operate successfully. It is generally predicted, however, that many of the smaller companies will have a hard time through the coming winter, as reduced prices do not always mean increased demand; and many observers look for a smaller number of automobile makers and larger corporation units.



CONFIDENCE WINS THIS BATTLE
From the News (Rome, Ga.)

The Conference on Unemployment

In the last week of August, President Harding announced through Mr. Hoover, Secretary of Commerce, that he would soon call a national conference to study the problem of unemployment, and seek for some immediate remedy. Commenting on the predictions that there would be acute suffering this winter, due to unemployment, after the savings of the past prosperous years have been exhausted, the President expressed the opinion that it is inconceivable that there should be widespread suffering now in America where food, fuel and clothing are being produced beyond the present rate of consumption. The most reliable estimates have it that there are at present about 5,735,000 persons out of work in the United States. This, it must be remembered, is the result of comparison with the peak of activity in business which came in March, 1920. It is also true that hundreds of thousands of people who were at work in 1920, especially women and girls, were doing war jobs or were temporarily taking the opportunities offered by the scarcity of labor to add to their incomes. It is generally thought that not more than 4,000,000 people are now jobless if comparison is made with normal times.

The Scope of the Conference

The President has placed the planning of the coming conference in the hands of Mr. Hoover, who will obtain coöperation from the Department of Labor. He has announced that probably not more than fifteen or twenty-five persons will be called; that they will represent the country geographically, as well as the different groups of the larger industries, and that the personnel will be determined with reference to the interests of capital, labor and the public. The conference will not only study definite plans to give work to the jobless, but will consider the social phases of the problem and the relations of capital to labor. Inclusion of the last subject does not, however, mean that controversial topics, such as the open or closed shop, wages and working conditions, will be allowed to bring acrimony and obstruction into the work. The Department of Commerce has for some time been priming itself for this work by an intimate study of the business situation and export trade, having called representatives of many and varied industries to give information of value in planning to lessen unemployment.



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REPUBLICAN MEMBERS OF THE SENATE FOREIGN RELATIONS COMMITTEE

(Who will prove exceedingly helpful in meeting with the Administration of President Harding the grave foreign problems approaching settlement during the coming months. They are, from left to right, Senators Medill McCormick, of Illinois; George H. Moses, of New Hampshire; Frank B. Kellogg, of Minnesota; Philander C. Knox, of Pennsylvania; Henry Cabot Lodge, of Massachusetts, Chairman [also a delegate to the Washington Conference]; Porter J. McCumber, of North Dakota, and Harry S. New, of Indiana)

RECORD OF CURRENT EVENTS

(From August 15 to September 15, 1921)

PROCEEDINGS IN CONGRESS

August 16.—In the House, Mr. Fordney reports the Tax Revision bill as reducing taxes \$377,900,000 now and \$790,000,000 by 1923.

In the Senate, adjournment is agreed upon from August 24 to September 21, by vote of 38 to 18.

August 18.—The House committee which investigated the draft evader Bergdoll's escape from imprisonment reports; the majority names three most culpable persons, while the minority (Republican) protects the commissioned and non-commissioned officers but censures ex-Brig.-Gen. Ansell, Bergdoll's counsel.

August 19.—The Senate passes a \$75,000,000 good roads bill; the House measure carried \$100,000,000.

August 20.—The House passes the Tax Revision bill, 274 to 125; the bill is to raise \$3,366,000,000 of revenue and reduce taxes \$800,000,000 by 1923; fifty Republicans vote against it.

August 22.—The House passes the railroad relief bill, 214 to 123; it provides half a billion dollars for use by the roads; \$1,750,000,000 had already been provided.

August 23.—The House adopts the conference report on the anti-beer bill, 169 to 81; the report turns down the Senate amendment prohibiting search of homes without warrants. . . . The Senate is in a hopeless tangle, with party lines broken in the fight to retain the amendment.

The Senate, voting 50 to 16, passes the Shipping Board appropriation of \$48,500,000 and it goes to conference; restrictions on salaries are removed.

August 24.—The Senate passes a measure continuing the dye embargo to January 1, 1922, and

adjourns without action on the anti-beer bill conference report.

The House adjourns for thirty days.

August 30.—The Senate Committee on Finance hears Arthur Balfour, of England, in a plea for lower tariff on steel, state that in England 2,000,000 to 3,000,000 are employed only two days a week, another 1,000,000 only one day, and 2,000,000 entirely unemployed.

September 7.—The Senate Finance Committee hears Secretary Mellon's recommendations to repeal the capital-stock and excess-profits taxes, halve the transportation taxes, put a 15 per cent. tax on corporation net income, and reduce income surtaxes from the House figure of 32 per cent. to 25 per cent. (the present maximum being 63 per cent.).

AMERICAN POLITICS AND GOVERNMENT

August 18.—William J. Burns is appointed as head of the United States Secret Service.

August 19.—The joint army and navy board reports that results of recent airplane bombing tests show that the battleship is still supreme; but the board recommends building airplane carriers and taking similar steps.

August 21.—The Shipping Board receives bids for 205 wooden ships at \$2100 each; the boats cost the Government from \$300,000 to \$800,000 each.

August 22.—Judge James E. Boyd, in the federal court at Greensboro, N. C., holds the new national child-labor law unconstitutional, on the ground that power to regulate labor was never delegated to the Government by the States.

President Harding signs the Edge-ANSorge bill giving Government authority to develop the Port

of New York under the New York-New Jersey treaty of April 30, 1921.

August 25.—In Mingo County, W. Va., more than 4000 armed union men march on the coal mines in a demonstration against martial law, and in an effort, apparently finding peaceful means impracticable, to unionize the Mingo and Logan county fields.

August 27.—The federal Circuit Court orders a return of the nine United States Mail Steamship Company vessels upon its receiver's application, and Mr. Lasker secures three volunteer operators who will run the ships without profit until they are rechartered or sold.

August 28.—Secretary Hoover announces that the President is making arrangements for a national conference on unemployment.

President Harding opens a new all-American cable service between Porto Rico and the continent.

August 31.—The New York Court of Appeals holds the recent Soldier Bonus act of the State unconstitutional as using public credit for private benefit.

A New York court decides upon a method of computing profit on rental of dwellings, and holds that 10 per cent. under this computation is a fair profit.

The Federal Trade Commission issues a formal complaint against the Famous Players-Lasky Corporation as a film trust controlling 6000 of the 18,000 exhibitors in the United States.

September 2.—Federal troops are sent to West Virginia, while miners with rifles and deputies with machine guns battle along Crooked Creek and in the Blair Mountain district, notwithstanding a proclamation by the President to disperse.

General Leonard Wood accepts the tender of the Philippine Governor-Generalship and will retire from the Army.

September 3.—In West Virginia, 400 armed miners surrender to federal troops, who take charge; many others hide their guns and disband in the hills.

September 7.—Judge Landis, arbitrating the building wage controversy at Chicago, decides upon a 10 to 33 per cent. reduction of pay from \$1.25 an hour, laborers and teamsters being cut to 70 cents an hour.

Ninety-four New York tile-makers are indicted by the federal grand jury for conspiracy in restraint of trade.

Secretary Denby approves a report recommending wage reductions of about 18 per cent. for 60,000 civilian workers at navy yards; \$1000 is fixed as a minimum wage for a laborer with a family; the present recommendations of wages are 45 per cent. above the 1913 level, with the cost of living 80 per cent. higher.

War Department surplus property sales are announced as totaling \$1,456,846,801; material worth \$1,500,000,000 still remains for disposal, of which \$600,000,000 is ammunition.

September 8.—American representatives at the Washington conference on limitation of armaments are named, headed by the Secretary of State, Charles E. Hughes, and including also Elihu Root and the Republican and Democratic leaders of the Senate, Henry Cabot Lodge (Rep., Mass.) and Oscar W. Underwood (Dem., Ala.).

A federal judge at New York rules that the

immigration authorities may not only hold but deport aliens exceeding the monthly quota based on one-twelfth of the annual influx permitted any one nation under the new act.

September 9.—At New York City, federal prohibition agents, over the heads of the customs officers, make a \$1,000,000 drug and liquor raid on a Greek steamship under British registry; 327 are made prisoners, and the ship is seized.

September 11.—Wesley L. Jones, United States Senator from Washington, formally charges that secret agreements between railroad trunk lines and foreign shipping concerns are the cause of the failure of Shipping Board vessels to obtain sufficient cargoes.

September 12.—The Wood mission leaves the Philippines for Hongkong, Shanghai, Peking, and Korea; General Wood will return later to Manila, while Mr. Forbes goes back to the States.

September 13.—Brig.-Gen. William Mitchell, Assistant Chief of Air Service, reports to his chief, Maj.-Gen. Menoher, a strong dissent from the joint report on recent bombing tests; he recommends establishment of a department of national defense with sub-secretaries for the army, navy, and air service, and an adequate liaison between these on a basis of equality.

Henry Curran defeats three competitors for the Republican Mayoralty nomination at the primaries; Charles C. Lockwood is nominated for Comptroller; and Vincent Gilroy for Aldermanic President; "Boss" Murphy, backing Mayor Hyland, defeats Tammany insurgents led by James J. Hines.

FOREIGN POLITICS AND GOVERNMENT

August 16.—The Dail Eireann, or Irish Republican Parliament, meets openly at Dublin; President DeValera declares for complete separation from Britain.

August 22.—King Alexander, who is ill at Paris, proclaims his accession to the throne of his late father, King Peter of Serbia.

August 23.—Mesopotamia's new king ascends the throne in the new Arabic State of Irak; he is Emir Feisal, son of the King of the Hedjaz and friendly to the British.

August 24.—In the Malabar district on the west coast of British India, serious rioting is quelled by British soldiers; the disturbances seem to be purely native, led by disbanded Moslem troops; casualties are heavy.

August 25.—Ireland's Republican Parliament rejects the British proposals, leaving an opening for further discussion but insisting upon Ireland's right to choose its own form of government.

August 26.—Premier Lloyd George's reply to Ireland says parleys will end if secession is insisted on, and he restates the British proposal, inviting "Ireland to take her place as a partner in the great commonwealth of free nations, united by allegiance to the King."

Mathias Erzberger, German political leader, former Vice-Chancellor and Minister of Finance, who was instrumental in accepting the Versailles treaty, is murdered near Offenburg, Baden; he is thought to be a victim of the Pan-Germanists.

August 28.—The Moplahs, or native Moham-medans of India, proclaim home rule at Pallipu; British troops land at Calicut and place under

martial law the districts of Walavanad, Ponnani, Ennad, Calicut, Wynaad and Kurambanad.

August 29.—President Ebert, of Germany, issues a decree prohibiting demonstrations, meetings or processions, and publications likely to encourage seditious movements.

The All-Russian Relief Committee headed by Maxim Gorky is dissolved by the Soviet Government; members will not be permitted to leave Russia.

In Belfast, riots break out, with serious casualties; troops are called to restore order.

August 31.—The Mexican Supreme Court decides that Article XXVII of the Constitution is not retroactive and does not confiscate subsoil rights acquired by foreign oil and mining companies previous to its adoption.

September 2.—DeValera's reply to Lloyd George calls for stronger assurances of dominion status than have yet been given, rejecting the proposals of July 20 and insisting on equality with other Dominions, freedom from the British Parliament, unity of Ireland, and cessation of British armed force.

September 3.—Dr. W. W. Yen is named by the Chinese Government at Peking to head a mission to the Washington Conference composed of C. H. Wang, jurist, Dr. V. K. Wellington Koo, and S. Alfred Sze.

September 6.—Revolutionists, headed by Liberals, are reported in control of Bogota, Colombia; the report is denied, but a cabinet crisis is admitted.

September 7.—The British Cabinet proposes, in a note to DeValera, that a conference with delegates of the Dail Eireann be held at Inverness, Scotland, on September 20, on condition that Ireland consent to remain within the Empire.

September 13.—The Japanese naval conferees decide all navies of the principal powers should "minimize the scope of armament to the same degree as that of the country having the smallest naval strength" and none should establish any Pacific naval base.

September 14.—The Dail Eireann names Arthur Griffin, Michael Collins, Robert C. Barton, Eamon J. Duggan, and George Gavan Duffy as conferees to go to Inverness.

September 15.—Lloyd George cancels the conference at Inverness because the Irish acceptance adheres to the claim of complete independence.

INTERNATIONAL RELATIONS

August 18.—American relief in famine-stricken Russia is agreed to by Soviet officials, who finally yield to Herbert Hoover's demand for complete American control.

The Council of the League of Nations is summoned to meet August 29.

China formally accepts the American invitation to the Washington Conference.

August 21.—Turkish Nationalists capture 4000 Greeks on the Sakaria River.

August 22.—Panama orders its civil authorities to evacuate Coto awarded to Costa Rica; the action is taken after receipt of a strong note from Secretary Hughes.

August 23.—Prominent American oil producers leave for Mexico City to confer with President Obregon regarding oil land titles.

August 24.—A treaty ending the state of war between the United States and Austria is signed at Vienna, Arthur Hugh Frazier acting for Washington.

Japan accepts the American invitation to the Washington Conference.

Chief Justice Taft, of the United States Supreme Court, appoints Prof. John F. Hayford and Prof. Ora Miner Leland to survey the Panama-Costa Rica boundary under Article II of the Porras-Anderson convention; Costa Rica appoints Señor Don Luis Matamorros; Panama protests.

August 25.—Nearly three years after the armistice, the United States and Germany sign a separate treaty of peace at Berlin, in which America retains benefits of the Versailles Treaty but disavows the League of Nations covenant.

Jacob Gould Schurman, American Minister, arrives in China.

August 26.—Nicaragua is invaded by revolutionaries from Honduras.

The Trianon Treaty, between Hungary and the Allies, is promulgated at Paris.

August 28.—The Allies request Germany to arrange to transport their troop reinforcements to Upper Silesia.

Moroccan tribesmen revolt at El Araish, on the Atlantic, and kill 200 Spaniards of the Arba-el-Kola garrison; the position is recaptured.

Turks cut off the Greek right wing on the Sakaria River, in Asia Minor; the invaders had suffered from thirst and malaria in the Salt Desert.

Austrian gendarmerie, taking over Burgenland (West Hungary) under the Trianon Treaty, are resisted by armed Hungarian bands; Burgenland formerly produced for sale in Vienna 20,000 tons of cereal, 25,000 tons of potatoes, and 1500 tons of meat, valued at about \$7,000,000 a year.

Nicaraguan troops engage in heavy fighting with rebels at El Sauce.

August 29.—American Relief Administration workers arrive at Moscow; International Red Cross officials sign an agreement with the Soviets identical with the American document.

August 30.—Mexican President Obregon receives American oil men, who protest against the injury to their business caused by high export duties and confiscatory laws.

August 31.—American food is unloaded at Riga and Reval for shipment to Moscow.

Greeks break the Turkish line on the Sakaria River along a 37-mile front and attack second-line positions; Turks call all men between thirty and forty-five for service.

September 1.—The League Council appoints a Silesian commission of four, consisting of Paul Hymans of Belgium, Dr. V. K. Wellington Koo of China, Count Quinones de Leon of Spain, and Dr. Gastao de Cunha of Brazil.

President Obregon's message on foreign relations to the Mexican Congress declares a treaty with America (demanded before recognition is granted) is "neither possible, convenient, nor necessary, and is contrary to Mexican constitutional precepts, in that it creates special privileges for Americans."

September 2.—Food trains leave Riga for Moscow; 28,000 tons of food are available, 8000 at European points and 20,000 in America. . . . Col. William N. Haskell sails from New York to head

the American Relief Administration's mission to Russia.

September 3.—American oil men sign an agreement with the Mexican Government regarding oil taxes.

September 4.—The United States treaty of commerce with Siam goes into effect; America gives up extraterritorial rights while Siam gains full fiscal autonomy.

Prince Hirohito returns to Japan from a visit to Europe.

An agreement between Germany and France is published, providing for delivery to the latter of 7,000,000,000 gold marks value in building supplies within three years.

Afghanistan ratifies its treaty with Soviet Russia, thus completing the cordon of treaty nations surrounding Russia, to which Rumania and Japan are the only exceptions, an understanding having been reached with China and Mongolia.

September 5.—At Geneva, the League of Nations Assembly opens its second plenary session; Austria, Bulgaria, Albania, Finland, and Luxembourg are admitted as new members; Jonkheer H. A. van Karnebeek, of Holland, is elected president.

September 6.—Angora, the Turkish Nationalist capital, is reported captured by the Greeks.

Secretary Hughes reiterates the American mandate demands in a new identic note to the Allied powers.

September 7.—At Geneva, Bolivia demands of the Assembly a League adjustment of the Tacna-Arica dispute with Chile; Chile invokes the Monroe Doctrine, to which Bolivia replies she has the sanction of the United States for the reference to the League.

American Relief kitchens are opened in Petrograd and food is distributed.

Nicaraguan rebels are defeated and driven across the Honduran border, where over 1300 are captured by Honduran troops; this prompt action is thought to have obviated a Central American flare-up.

September 8.—The Russian Soviets refuse permission to the Allied Relief Commission to investigate Russia. . . . Sixty-one persons are said to have been executed for the Petrograd plot, including six "American spies or couriers" and sixteen women.

September 10.—Archduke Frederick of Austria deeds his enormous estates, containing 1,000,000 acres of land, factories, mines, castles, apartments, and the Albertina Museum at Vienna to a syndicate of Americans headed by Charles H. Sabin.

September 11.—The League Assembly appoints a commission to determine its competency to act in the Tacna-Arica case.

Tegucigalpa, capital of Honduras, is chosen for the capital of the Federation of Central America, composed of Honduras, Salvador, and Guatemala.

September 12.—Moscow declares war in Bessarabia, where Rumania has maintained an unrecognized civil government for two years; Bessarabia was ceded in 1812 by Turkey to Russia, claimed by Rumania as a war spoil, and awarded by the Allies to her in 1919; it contains 18,000 square miles, and 2,000,000 people, of whom half claim to be pure Rumanian.

Spaniards begin a sweeping attack against the Moors on the line Rasquiviana-Zoco-Arbaa.

British authorities discover a plot at Constantinople nested at Angora for Mohammedan revolt.

September 13.—Thomas W. Lamont, of New York, goes to Mexico to negotiate settlement for the International Committee of Bankers on Mexico of the \$240,000,000 in defaulted principal and interest under Mexican bonds, upon the payment of which recognition is said to hinge.

September 14.—The United States State Department sends a tentative draft of subjects for discussion at the Washington Conference to the participating powers.

The League Assembly elects and the Council confirms the following Judges of the International Court of Justice: John Bassett Moore (U. S.), Viscount Robert Finlay (Brit.), Dr. Yorogu Oda (Jap.), Dr. Andre Weiss (Fr.), Commendatore Dionisio Anzilotti (Italy), Dr. Ruy Barbosa (Brazil), Dr. B. T. C. Loder (Hol.), Dr. Antonio S. de Bustamante (Cuba), Judge Didrik Nyholm (Denmark), Dr. Max Huber (Switz.), and Dr. Rafael Altamira Y Crevea (Spain); the term is nine years; the bench consists of eleven judges, who elect their own chief justice.

September 15.—The Japanese note to China on the restoration of Shantung is published at Peking; although it modifies the twenty-one demands, Chinese would get only nominal jurisdiction, while Japan's economic position in Tsing-tao and Kiao-chau bay would be confirmed.

OTHER OCCURRENCES OF THE MONTH

August 16.—Paper-mill arbitrators cut unskilled labor wages 25 per cent., and skilled labor 10 per cent., affecting 12,000 men in the United States and Canada.

August 19.—The United States Steel Corporation cuts wages for a third time in 1921; effective August 29, mill workers are to get 30 cents an hour.

The Railway Labor Board rules that overtime need not be paid for regularly bulletined Sunday and holiday work.

The Census Bureau reports manufacture of 61,859,900,000 cigarettes in 1920, of which 15,834,000,000 were exported; 1,502,064,000 lbs. of tobacco were grown on 1,894,400 acres; the nation's 2433 daily papers circulated 32,735,937 copies.

August 21.—The Rockefeller Foundation donates \$1,785,000 to Harvard University to extend its facilities for training public health officers.

August 22.—The monthly report of the Department of Commerce on foreign trade shows a drop of 50 per cent. for the first seven months of 1921.

August 23.—Great Britain's population is reported as 42,767,530, with 7,476,168 in greater London, and a female surplus in England of nearly 2,000,000.

August 24.—The British-built airship *ZR-2*, on a trial flight before delivery to the American Navy, buckles over Hull, England, explodes, and sinks in the River Humber; 16 Americans and 28 British are killed, but 4 British and 1 American are saved; the airship was the world's largest, and the frame buckled under the strain of turning at a speed of about 50 miles per hour.

Two Army piers at Hoboken, N. J., are destroyed by fire and the huge *Leviathan* is damaged; bodies of 1500 soldier dead are removed to safety.

August 31.—The American Bar Association holds its annual convention at Cincinnati, Ohio; Attorney-General Daugherty makes an address.

The Navy's largest non-rigid dirigible, the D-6, burns with its hangar at Rockaway Point, N. Y.

September 1.—The superdreadnought *Washington* is launched at Camden, N. J.; she is run by electric drive, of 21 knots speed, and will be armed with eight 16-inch and fourteen 5-inch guns.

September 2.—Newsprint paper is reduced \$15 to \$80 a ton, which is \$50 below the peak price for 1921, and \$5 above the 1919 war-controlled price.

The French wheat crop is officially estimated as 319,000,000 bushels, of which about 7,000,000 are from Alsace-Lorraine.

September 3.—The Methodist Church reports a net gain of 1,255,091 members by all divisions in the United States in the last decade.

September 4.—Interstate Commerce Commission reports show railroad income from 192 Class I lines of \$68,451,000 net for July, compared with an \$11,452,000 deficit last year.

September 6.—At Blaine, Wash., a "Peace Portal" is opened on the Canadian border, in commemoration of 100 years of peace.

September 7.—Cotton, on the New York Exchange, advances and declines \$10 a bale before the close; cotton futures jump to 22 cents from a high of 11¼ cents on June 22; "shorts" bull the market trying to cover.

The Canadian Grand Trunk Railway stock arbitration board, headed by Sir Walter Cassels, decides that the four classes of stock have no value, and that the book accounts have been manipulated; most of the stock, preferred and common, is held in England, where it drops rapidly on the exchange.

September 8.—Novel methods are used by a Boston philanthropist, Urbain Ledoux ("Mr. Zero"), to obtain employment for men out of work; he puts the men, half stripped, on the slave block and auctions them off.

Marine Sergeant Theodore B. Crawley, by hitting 177 successive bull's-eyes, breaks the world's record (106) with the army rifle on the 800-yard range at Camp Perry, Ohio.

September 10.—The river at San Antonio, Texas, overflows after a cloudburst, with an estimated loss of 250 persons and \$3,000,000 in property; storms and tornadoes sweep the West, with heavy rains.

At Chester, Pa., the footway of the Third Street wooden bridge collapses, and thirty-four persons are drowned; the bridge is thirty years old; supporting braces had rusted.

September 13.—At Pittsfield, Mass., the General Electric Company succeeds, after thirty years of experiment, in transmitting 1,000,000 volts current with a 15-foot spark through hollow conduit wires over 4 inches in diameter, under research of F. W. Peak, Jr., G. Faccioli, and W. S. Moody.

September 14.—Secretary Davis announces that

12,000,000 persons are now employed, and the 5,735,000 unemployed, of whom many were war workers, are 1,265,000 less than in 1917; \$500,000,000 is available for public works.

OBITUARY

August 16.—King Peter Karageorgevitch of Serbia, 77.

August 17.—John Stephen Crowell, of Springfield, Ohio, prominent in the periodical publishing business, 71.

August 18.—Ignacio Montes de Oca y Obregon, Archbishop of San Luis Potosi, Mexico, 82. . . . Lucien M. Adkins, long on the staff of the New York *World*, 58.

August 19.—Major-General Henry Alexander Greene, U. S. A., retired, 65. . . . Demetrios Rhallys, ex-Premier of Greece, 81.

August 21.—Elmer E. Johnston, newspaper publisher, of Iowa City, 55. . . . Howard C. Wiggins, former supreme regent of the Royal Arcanum. . . . Robert Ten Eyck Lazier, pioneer electric promoter of Brooklyn, N. Y., 52.

August 24.—Brig.-Gen. Edward Maitland, noted British aviation expert, 41.

August 25.—Peter Cooper Hewitt, the distinguished scientist and electrical inventor, 60. . . . Maj.-Gen. James Franklin Wade, U. S. A., retired, 78. . . . Gen. José Manuel Hernandez, Venezuelan revolutionist, 68. . . . Rev. William Seely Lewis, senior Methodist Bishop in China, 64.

August 27.—Dr. Alexander Wekerle, five times Premier of Hungary, 73.

August 29.—Dr. Joel Asaph Allen, for thirty-six years with the American Museum of Natural History, scientist and author of many articles on birds, 83. . . . Frederick Upham Adams, of New York, author and inventor, 62.

August 31.—Rev. Joseph A. Mulry, S.J., former president of Fordham University (New York City), 47. . . . Albert C. Baker, Justice of the Arizona Supreme Court, 76.

September 2.—Dr. Calvin Noyes Kendall, former New Jersey Commissioner of Education, 63. . . . Stephen Cooper Ayres, well-known Cincinnati oculist, 81. . . . Dr. Ernest Pierre Dupré, noted French medical author, 59. . . . Henry Austin Dobson, British poet, 81.

September 4.—Dr. Jeremiah Smith, Story professor of law emeritus at Harvard, 84.

September 6.—Dr. Theodore Andrew McGraw, a distinguished Detroit surgeon, 81.

September 7.—William Reynolds Allen, justice of the North Carolina Supreme Court, 64.

September 10.—George Alden Benton, former New York Supreme Court justice, 73.

September 11.—George Peabody Wetmore, former Governor and United States Senator from Rhode Island, 73. . . . The Marquis of Milford Haven, who, as German-born Prince Louis of Battenberg, headed the British navy at the outbreak of the World War, 67.

September 13.—Dr. Oscar A. King, famous neurologist of Wisconsin, who treated mental disorders with erysipelas toxin, 70. . . . Samuel Mitchell Taylor, Representative from Arkansas, 69. . . . Prof. Waterman Thomas Hewett, of Cornell, 75. . . . Mme. Estelle Stamm-Rodgers, operatic contralto, 35.

DISARMAMENT—IRELAND

VARIOUS CARTOON COMMENTS ON TWO GREAT TOPICS



A WELCOME AND A READY RESPONSE
From the *National Republican* (Washington, D. C.)



AN UP-TO-DATE PIED PIPER
From the *Chronicle* (San Francisco, Cal.)



THE SHOWDOWN
From the *News* (Rome, Ga.)



"I WANT TO LET GO"
From the *News* (Detroit, Mich.)



WILL IT BE AS GREAT AS THE PEOPLE HOPE?

THE WASHINGTON CONFERENCE—From the Tribune ©. (Chicago, Ill.)



OR ONLY AS GREAT AS THE DIPLOMATS EXPECT?



WELCOME! BUT LEAVE THE DOG OUTSIDE
From the Spokesman Review (Spokane, Wash.)



From the Ohio State Journal (Columbus, Ohio)

THE approach of the conference at Washington has overshadowed all other topics. Some of its problems, and the hope it holds out to a tax-burdened world, are well interpreted in cartoons reproduced here.



ABOUT TO GET HIS!

From the Star (Washington, D. C.)

[If the hog had consumed less, he might have been allowed to continue to live]



REMOVING THOSE BOTHERSOME NAILS
From the Bee (Sacramento, Cal.)



UNANIMOUS!—THREE WORLD POWERS, ALL WITH
PACIFIC INTENTIONS

JAPAN: "My intentions, I assure you, are entirely
Pacific!"

UNCLE SAM: "Sure—so are mine!"

JOHN BULL: "Same here!"

From the *Passing Show* (London)



UNCLE SAM'S GENEROUS ATTITUDE ON
MANDATES—A CANADIAN VIEW

UNCLE SAM: "And furthermore, I demand
the benefit of all mandate privileges."
THE OTHERS: "And how about the re-
sponsibilities?"

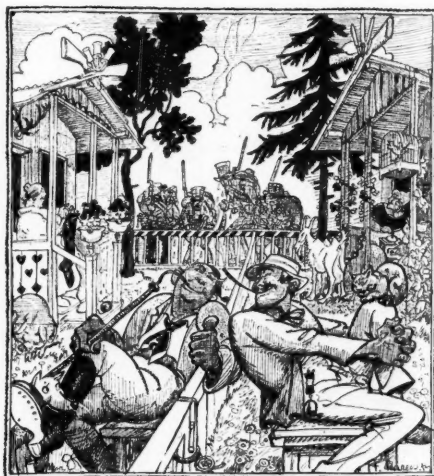
UNCLE SAM: "Oh, you may have them."

From the *Star* (Montreal, Canada)



BURYING THE HATCHET

From the *Chronicle* (Manchester, England)



DISARMAMENT UNDER DIFFICULTIES

GERMANY (to Austria): "They have settled with
us and now they don't know how to protect them-
selves from each other!"

From *Die Muskete* (Vienna, Austria)



THE ARMAMENT GAMBLE

From the *Courier* (Liverpool, England)



BRIAND, TAILOR AND REPAIRER
"Confound it! I can't get these (England, France
and Italy) to hold together."

From *Nebelspalter* (Zurich, Switzerland)



THE UNFRIENDLY ALLIANCE

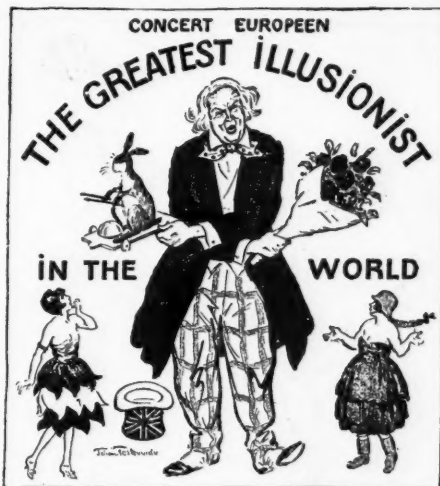
(Hand in hand, England and France, each would go her way
but they cannot separate)

From *Le Rire* (Paris)



CARACTACUS LLOYD GEORGE REFUSES TO BE BOUND TO THE
CHARIOT WHEEL

From the *Star* (London)



TO WHOM WILL LLOYD GEORGE GIVE THE BOUQUET,
AND TO WHOM THE RABBIT?

From *Le Cri de Paris* (Paris)



NECESSITY TEACHES PRAYER

"Capitalism . . . save us from our Bol-
shevist saviours!"

From *Notenkraker* (Amsterdam, Holland)



DISARMAMENT, AS VIEWED IN NORWAY
England and America are united about disarmament,
but each says to the other: "After you!"
From *Hvepsen* (Christiania, Norway)

On the opposite page, and the one following it, are reproduced some cartoons on the most recent phase of the Irish question.



MEDICAL OPINION (THE FATE OF POLAND)
DR. LLOYD GEORGE: "No, madame, your Silesian plaster won't cure him. He can't live long, in any case."
From *Kladderadatsch* (Berlin, Germany)



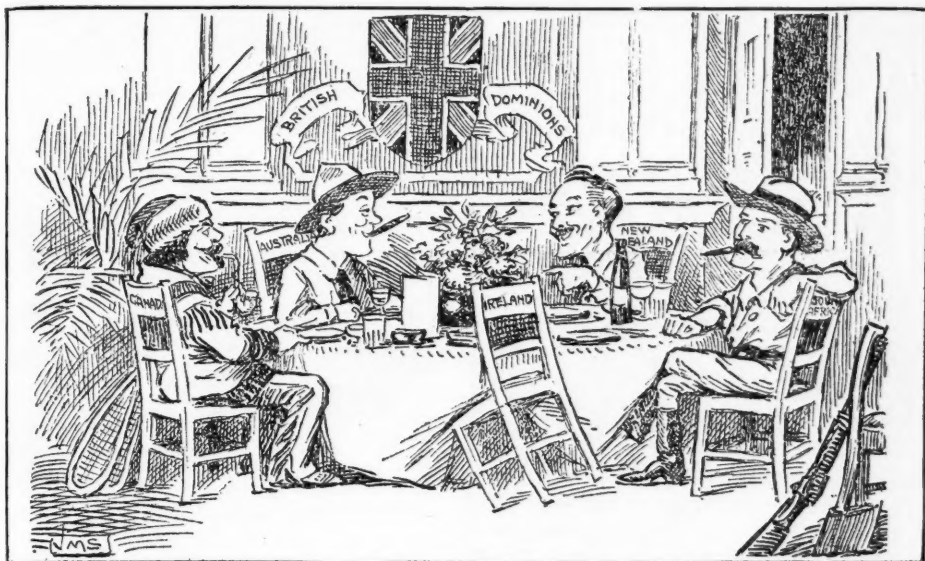
THE SILESIAN TOY MAY KEEP THE CHILD AMUSED
From *Le Cri de Paris* (Paris)



THE ALLIANCE
THE REV. HUGHES (Premier of Australia): "Now, if we can only get Uncle Sam to act as best man, what a happy family we might be!"
From *Punch* (Melbourne, Australia)



JOHN BULL FACES A DECISION
THE GIRL OF THE GOLDEN WEST (to John Bull): "Either you go with Madam Butterfly or with me. You cannot go with us both at the same time."
From *Kikeriki* (Vienna, Austria)



THE VACANT CHAIR—From *News of the World* (London)



DE VALERA'S TEMPTING ILLUSION
From the *Westminster Gazette* (London)



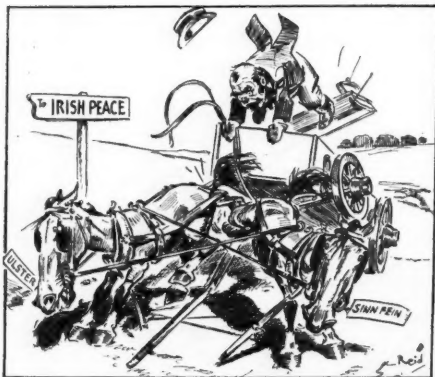
CHASING THE SHADOW AND MISSING THE SUBSTANCE
From the *Daily Express* (London)



CRUELTY TO PERFORMING ANIMALS
THE BRITISH LION (very fed-up): "It's no good; I've done my best to please this DeValera, but I can't get through that last hoop."
From *Opinion* (London)



DON QUIXOTE VALERA VERSUS THE BRITISH EMPIRE
From the *People* (London)



LOOKS AS THOUGH THE ULSTER AND SINN FEIN
HORSES WOULD NEVER DO TEAM WORK
From the *Evening Mail* (New York)



WARREN REMEMBERS WHAT HAPPENED TO WOODROW FOR THAT SNUB!
From the *Bee* (Sacramento, Cal.)



SEEMS IT'S NOT HER IDEA OF OWNING HER OWN CAR!
From the *Bee* (Sacramento, Cal.)



WILL IRELAND ACCEPT?
From the *Tribune* © (Chicago, Ill.)



PARIS AND WASHINGTON

TWO WORLD CONFERENCES AND THEIR ISSUES

BY FRANK H. SIMONDS

I. IN 1918-19

THE coming of the Washington Conference next month must inevitably serve to recall to many the conditions of three years ago, when the world went to Paris, following the Armistice of Rethondes. Much of the bitterness over what was said and done at the Paris Conference—and over what was left undone—has passed away. Most of the great figures of that gathering have disappeared from power. President Wilson, Clemenceau, Orlando, all are gone. Only Lloyd George hangs on. Of all the bitter disputes of the Paris Conference, Upper Silesia and the Near East alone lack at least a temporary accommodation.

But if there is less temptation now to turn to the old controversies, there is certainly a natural desire to reexamine the Paris sessions with the hope of finding in such an investigation the means of avoiding the mistakes and the errors of that momentous period; mistakes which have had so evil an influence upon the world ever since. And it is from this point of view that I mean in the present article to look backward at Paris and then forward at Washington.

To-day most competent observers will agree that the first mistake in the Paris Conference was the endeavor to join two mutually antithetical and exclusive tasks: that of liquidating the immediate conflict, which had just come to an end, and the second and even more considerable task of reconstructing international relations upon a basis of enduring peace. It was plain that the fairer the terms of peace, the easier would be the work of preserving peace thereafter. But what was not perceived clearly was that in the nature of things what was done by the victors would be rejected by the vanquished, at least morally; and that the conquerors and the conquered could not meet on equality in a conference in which those who had caused the war and lost it, arms in hand, were to appear under indictment and to receive sentence.

It would have been far wiser—everyone perceives this now—to have followed the example of a century before, and made peace with Germany before attempting to make a new international law or create a new international society. For, in the very nature of things, the international body created at Paris would become the guarantor of the terms of the treaty of peace, which were the terms of the victors, and as such intolerable in the eyes of the defeated Germans, Hungarians, Austrians, and Turks, and, also, without binding force upon the Russians.

Mr. Wilson carried to Europe certain excellent abstract principles, which gained world-wide notoriety as the Fourteen Points. But these Fourteen Points were based upon the assumption that the war had burned up the secular hatreds and rivalries between nations and peoples, and that the governments of the hour in all countries—victorious and vanquished alike—because of the popular emotion, would have no choice but to frame a peace in accord with these Fourteen Points.

Again, unfamiliar with the precise circumstances of many of the historic disputes which have divided Europe for many centuries, Mr. Wilson, and those who went to Paris with him, assumed that there was a solution of each dispute which might be reached in conformity with the Fourteen Points, and which would be so essentially fair and just that, in the end, both sides would accept it. This was quite as great a misapprehension as the assumption as to the sentiment among the peoples of Europe.

In practice Mr. Wilson discovered, first, that despite the passing moment of exaltation, incident to the end of the horror which had endured for more than four years, no people was ready to abandon its aspirations, and its claims which it described as rights, and that instead of agreement amicably arrived at, each specific question, whether of the frontier of France and Germany, Hungary and Rumania, Poland and Czechoslovakia, Italy and Jugo-Slavia, aroused in each contestant

passions which threatened to provoke fresh bloodshed and not infrequently did.

Moreover, when it came to fixing the frontiers of states which were incapable of resisting the decision of the victors—for example the frontiers of Germany and Poland, of Greece and Turkey—not only did it at once become clear that there was no settlement possible which could be arrived at by applying the Fourteen Points, since the populations concerned were inextricably commingled, but also that the interests of the great powers led them to take opposing sides, France backing Poland, Britain backing Germany.

And in this welter of confusing and conflicting interests Mr. Wilson found himself more and more driven to concentrate his efforts upon the realization of his first purpose: the creation of an international association to preserve peace. More and more he despaired of arriving at the perfect solution which should abolish war; more and more he turned toward the association which he was championing, as a body which would be able in the future to repair the errors made in the details of the peace settlement.

Thus he accepted here, there and everywhere, solutions which were in patent conflict with his Fourteen Points, compromises of which Shantung, the Tyrol, and half a dozen others have made a noise in the world since, as sacrifices unavoidable if he was to obtain the assent of various countries to his great scheme, the League of Nations. His argument then and since was that the mistakes and the departures from principle at Paris were of little permanent importance, if there were created an international body having the power and the mission to maintain peace and to improve the bases upon which world peace must rest.

It is for these compromises that Mr. Wilson's critics, aside from those influenced by partisanship, most severely castigate him. Yet it must be said in all justice to him that without the concessions the League was not attainable. Whether the League was worth the price is not here pertinent.

II. THE LESSON

What Paris clearly established was that the whole conception that peoples were prepared to sacrifice racial and national aspirations for an international concord was wholly fallacious. The war over, the moment of supreme exaltation passed, every European

tribe reverted to its ancient customs and appetites. England devoured the German colonies, and the German war and merchant marine. France returned to her policy on the Rhine and the Vistula which had antedated the Revolution. Poland arose from the dust of a century of complete ruin, and began to claim provinces which she had held in her days of real greatness.

On the whole, the frontiers drawn in Paris corresponded rather with the traditions of the victorious nations than with the provisions of the Fourteen Points. And since the Paris Conference, Fiume, Bessarabia, Upper Silesia and Vilna have been the scenes of romantic attempts on the part of the Italians, Rumanians, and Poles to assert national rights which were not recognized at Paris. Still, measured by the standards which have prevailed in all the previous great settlements, Westphalia, Utrecht, and Vienna, the territorial decisions of Paris represent an enormous gain for right and justice.

Yet Paris proved two things: that reconciliation between victor and vanquished reached in the making of a new peace was totally impossible, given the surviving rancors between peoples. It also proved—and all that has happened since has eloquently reinforced the teaching—that it is equally impossible to preserve permanently that relation between countries which the accident of common interests in a single war may create. Not only have France and Germany failed to lay aside their old antipathies, but the Anglo-French Entente itself has been gravely if not fatally undermined by the conflict in interests of the two countries which has persisted ever since the armistice.

We have seen repeated the old, familiar, unhappy circumstances of Balkan politics in the last century. The great powers have tended more and more to take opposing sides in the quarrels between the smaller nations, each following the line of manifest interest without regard to the rights or aspirations of the other. Effectively the alliance which conquered Hohenzollern Germany has gone the way of that which overthrew Napoleonic France, for the same causes and with even greater rapidity.

Now, when a new international assembly is at hand we are bound to recognize, in the beginning, that it is idle to expect a gathering of the representatives of a number of nations, each seeing eye to eye on the points to be discussed, each prepared to sacrifice special interests of its own to the common

good, to the cause of world solidarity. What we have to expect and to deal with is the old national spirit, not a new international sense. We are going to see the clash, friendly perhaps, of the rivalries of many nations, such a clash as was the Congress of Berlin after the Russo-Turkish war.

With the lessons of Paris in mind it is possible—indeed, it is essential—to lay aside all the mistaken views which were held at the moment the Paris Conference assembled and which in the United States have persisted ever since to some degree. The new conference is not an attempt to create a new international concord, or a new system of international relations. It is purely and simply to seek a way of avoiding a specific war by the clash of clearly perceived aspirations. It is no longer an attempt to abolish war as evil, but an effort to avoid it as expensive. We have come down to material considerations. We are leaving the domain of morals, which, in the language if not in the acts of Paris, was omnipresent.

Paris did not succeed in eliminating national aspirations and rivalries; on the contrary, that great conference in the end became a vast welter of conflicting tribal aspirations. Theoretically, the representatives of the several nations were to be, not exclusively the representatives of their own districts, but rather the representatives of a united world, as our Congressmen become when they deal with national affairs. Actually they never rose above the level of special pleaders for their own parochial concerns. It follows, quite logically, that Washington in its turn will have the same character. We must think of the statesmen who will attend, in all cases and under all circumstances, as Britons, Frenchmen, Italians, and Japanese—and we must remember that our own representatives will speak and act as Americans. Internationalism, for the moment at least, is out of court.

In the same fashion we must expect to see the combinations of nations based upon a pooling of issues, when it can be done with mutual profit. Thus, at Paris, Italy offered to support France on the Rhine without condition or qualification, provided France would give similar support to Italian claims in the Adriatic. The other day we saw Japan supporting the British thesis in the Upper Silesian controversy against the French, not because the Japanese favor the Germans as against the Poles, but because Japan has a lively interest in enlisting Brit-

ish support in Washington for her claims in the Pacific.

We must, too, expect that France and Italy, and Great Britain as well, will be prepared to support our views of the adjustment of the questions of the Pacific, provided we will see their own private interests in their light. The French vote in the Pacific is to be had in return for our vote on the Rhine and the Vistula. The Italian vote is easily obtainable in return for our support of the Italian as contrasted with the Greek solution of the Turkish dispute. Or both French and Italian votes might be had in return for certain economic or financial steps which we could take.

Great Britain will prefer to support us rather than the Japanese, but there are limits even to this policy of Anglo-American conciliation and we shall be dealing with British diplomacy, which is little influenced by sentiment. Actually the decision in the Pacific problem will follow the vote of the British. Their choice between the Japanese and ourselves will be the dominating factor. But it is perfectly absurd to imagine that this vote will be the mere spontaneous consequence of friendship for us. The friendship exists, and it is real; but the matter in hand is of vital concern to the whole Empire. And the recent progress of Anglo-French relations shows what may happen, even between nations bound together by heroic sacrifices and still recent dangers.

III. THE ECONOMIC FACTOR

But there is still another side of the Paris Conference which it is necessary to bear in mind now, when the Washington Conference is at hand. On the whole, the great failure of the statesmen who made the Treaty of Versailles and its pendant agreements was the failure to recognize the economic factor. They made peace on the basis of an older age. They drew frontiers with regard mainly for ideas and ideals which belonged to the era of the Congress of Vienna. Even Mr. Wilson's famous Fourteen Points were ethical, not economic; and on the practical side he was as little aware of the change in human conditions as those who represented the other extreme.

In reality the war had brought the world to the extreme edge of economic ruin. When peace had been written, when the disputes over strategic frontiers and natural boundaries had lapsed, suddenly it became clear

to the whole world that peace was not in the least what had been expected. The conditions of 1914 were not restored economically, although the destruction of war was over, armies had been demobilized and business operations undertaken. Instead of a return to normal conditions, as peace became more complete, paralysis became more general.

It was discovered, then, that while nationalism had dominated in the Paris Conference and imposed upon the attendant statesmen the demolition of the Austro-Hungarian Empire and the creation of many new states in succession to the empires of the Romanoffs and the Hapsburgs, the economic factor now began to assert itself. Newly liberated tribes, once the rejoicing over the realization of age-long aspirations had passed, found themselves condemned to misery and worse, as a consequence of the destruction of that economic solidarity with their hated oppressors.

During the war, even after the armistice, in the main throughout the Peace Conference, the British statesmen had declared that Germany must pay the last shilling and the last ton of the costs to Britain of the war. But the Treaty of Versailles was hardly published before the British discovered that it was not payment by Germany but purchases by Germany which were of vital importance. The German ships taken over lay idle in British ports. German coal, delivered to France and Italy as payment in kind on account of the indemnity, closed Continental markets to British coal; and the most important element in British economic balance was removed, temporarily at least. Three million unemployed in Great Britain alone supplied a tragic evidence of the consequences of the peace on the economic side.

Here, after all, we touch the real vice of the Treaty of Versailles, if vice be the fair word to apply. Prussia had taken the coal of Upper Silesia from Austria in the time of Frederick the Great, the Saar Coal Basin, in larger part, from France in 1815 and the Lorraine iron region in 1871. Austria had piled province upon province, inhabited by various races, each eager to become a part of a separate national unit. Hungary had constructed a state in which the Magyars were a minority. But contemporary Germany, and the Hapsburg empire of Francis Joseph, were both economic units.

At Paris there was no mistaking the right of the peoples which had for varying periods been subject to an alien and hateful rule to

assert their own right to independence and national solidarity. But the construction or reconstruction of the Polish, Bohemian, Rumanian, and Jugo-Slavic states, and the erection of a mutilated Hungary and a fragmentary Austria into independent states, were operations that paralyzed the whole economic and industrial life of Middle Europe.

Much has been written and spoken about the offense of the Paris Conference in Balkanizing Europe. But the truth is that the sin was not of its committing. The fact was, and remains, that the separate nationalities, even before Paris took action, had forcibly and violently thrown aside the bonds which had held them. They, the Rumanians, the Poles, the Southern Slavs, the Czechs, the Greeks had Balkanized Europe. There was left to the Paris Conference no other choice than to unscramble the omelette or accept the facts which faced it. And if it lacked the vision and the will to unscramble, it is not less true that it lacked the power, since it would have had to make new wars.

All over Europe nationalism fought against economic systems, and almost invariably succeeded. Trieste is the natural port of Middle Europe, eccentric to Italian commercial needs. Danzig is a German city, but the one natural port of exit for all of Poland. Germany depends upon the coal of Upper Silesia for at least a portion of her export trade, yet the people of the mine region are Poles and have voted to join their Polish brethren. Modern Germany represents the stealings and worse of a century of predatory warfare and more. Yet it was, all things considered, one of the most perfect economic units of the contemporary age.

When nationalism had had its sway, then it became plain that the consequences, however morally righteous, were economically abhorrent. The vast Danube valley, even more completely a unit than that of the Mississippi, was broken into innumerable states, each of which had marked its frontiers not with posts but with barbed wire fences. Rails were lifted where countries joined. Mutually dependent fragments of an old state halted all commerce at their frontiers.

It became clear, too, with the passing of time that if some of these new "succession" states could, in time, create new economic systems, or had within themselves the potential resources to become self-supporting, others were doomed if they remained free. This was almost instantly apparent in the case of Austria. It may well prove true in

the case of Czechoslovakia, and even of Hungary. It was as if the revenue-producing lines of a vast railroad system had been taken away and joined to other solvent systems, while the non-productive branches hitherto carried by the total earnings of the system, or fed by the traffic of the system itself, were suddenly condemned to run independently and thus to inevitable bankruptcy.

But it was not the nations immediately concerned which alone suffered. On the contrary, the devastation wrought in other countries as a consequence was only less disastrous. For not alone did the victims lose the resources with which to purchase abroad, but foreign states which were dependent upon their exports for money with which to buy food, countries which paid for their food supplies by the products of their factories, in losing their markets, lost their resources with which to feed themselves.

IV. WHAT IT MEANS

I have dwelt upon this economic phase, because it seems to me the single enduringly important one. The sins which the Paris Conference committed against right and justice, however great or small they may seem, are at the moment far less the source of peril to world peace and world order than the sins committed against the economic facts, or the evils which the Paris Conference failed to abolish, because it felt itself without the power or lacked the vision and will to abolish.

Now the application of all this is plain, when one turns to the Conference of Washington. Here the battle is to be for the future markets of the Far East. Japan, like Britain and like Germany, has become completely what the United States is tending ever more rapidly to become, an exporting nation pure and simple. Japan with sixty millions, Britain with nearly fifty millions on areas less than some of our individual States, cannot permanently maintain their populations at home unless they can sell abroad the products of their factories and their services, and thus earn the price necessary to purchase abroad the food they cannot produce at home.

The war in speeding up all of our own industries, both before and after we came into the struggle, resulted in the expansion of our own industrial system enormously. We shall not starve as will Japan and Britain, if we cannot find markets abroad for our

vastly increased production. But we shall have to scrap much of our machinery, and abandon much of our development. Moreover, there is no mistaking the fact that even before the war we were tending rapidly toward the point of becoming an importer, not an exporter, of food, and thus more and more desirous and needful of extending our foreign markets.

For Japan, for Britain, for the United States, the markets of the Far East are the one real hope for the future. As I have said, for the Japanese the question is one of life or death. For the British, taken in connection with the terrible shrinkage of their European markets, which may continue, the situation is only a little less acute. For us, it is the future of our industrial development of the last few years.

Now ostensibly we seek only an equality of opportunity in the Far East—the "Open Door" and the "integrity of China." But these are as dangerous watchwords as some of Mr. Wilson's Fourteen Points. For real equality of opportunity in the Far East almost inexorably means American supremacy. The time is at hand, if it has not already arrived, when our superior resources give us an unquestioned advantage over the Japanese; and it is open to serious question whether the British can permanently meet us on equal terms in the Far East.

Thus Japan has sought, seeks, and is bound to continue to seek, full advantage of her proximity and her political influence reinforced by military strength to fortify that position which we are assailing. And, with the example of Paris in mind, with the daily evidences of the fatal consequences of a neglect of the economic factor there, the battle for the control of the Pacific, and of the markets of the Far East, will be waged with extreme determination. To be sure, for France and Italy the Pacific is only a stake and not a vital question, although France holds colonies larger in area than the homeland, with a population of upward of 20,000,000 in Indo-China and the South Seas.

The real question lies between the United States, Japan, and Britain, with Russia as a remote future circumstance, and China, as a self-defensive unit, even more a matter for the future. And the real question is economic. Militarism plays little real part, save as Japan relies upon her army to coerce China and her fleet to meet any real or imaginary threat from us. Reduction of armament will not materially affect the Pacific Question,

although it may lighten the staggering burdens all nations, and particularly all sea powers, are now bearing. The world cannot afford arms, that is the plain fact. But in consenting to reduce armaments, no country will agree to surrender interests—above all, vital interests—such as the markets on which it must depend if it is to feed its home populations.

Paris was, measurably at least, the last chapter in the old order of European settlements. It differed in degree only from the historic settlements of the past from Westphalia and Utrecht down to Vienna and Berlin. Statesmen thought first of territory and of strategic frontiers. The remaking of the map of Europe was as keenly debated as at Vienna a century before. And in the background, the thought of the balance of power was ever present in British minds, as the desire for the Rhine frontier was in French. Questions of indemnities and reparations were discussed in the terms of another age, and without perception of their contemporary bearing.

In reality the historians of the future may point out that whereas the Congress of Vienna failed, because it ignored the tremendous and permanent changes which had occurred in Europe between the outbreak of the French Revolution and the Battle of Waterloo, the Conference of Paris failed because it took no account of the equally tremendous changes which had accompanied the transformation of countries under the modern industrial system. At Vienna the statesmen shut their eyes to the spirit of equality and the consciousness of nationality, which the Wars of the French Revolution and of Napoleon had spread over Europe. But the spirit of equality and the sense of nationality in the end overturned their edifice. A hundred years later, other statesmen built a new peace based upon the principle of nationality, equality having ceased to be even debatable. But already economic considerations had become even more important than those of race and tribe. And in this lies the doom of the Paris settlement, so far as it is doomed.

Now Washington, in the very nature of things, will be the first World Conference in which the dominating factor will be economic. We in the United States, for example, have no desire to extend our territories in the Pacific, no need to rectify our frontiers, or to increase our area. We desire markets. Japan, despite her military and

expansionistic policy, is dominated chiefly by the same consideration. Britain must find her old markets, and discover new openings for her manufacturers, or export millions of men and women, no longer to be fed at home.

V. NEW HORIZONS

And in viewing the Washington Conference and the events which are to-day commanding world-wide attention, it is essential for the American people to avoid those easy and over-simple explanations which are so dear to the heart of certain public men, and so plausible as to obtain dangerous credence. Thus public speakers, of whom Senator Borah is an example, are telling us that the causes of the last world catastrophe were armaments and secret diplomacy, as President Wilson told us the cure for wars was open covenants openly arrived at.

But the cause or causes of the last war were not militarism and secret diplomacy—these were but incidental. When Germany took Alsace-Lorraine from France, decided to back Austria against Russia in the Near East, and challenged Britain on the high seas, commercially quite as much as with her war fleets, she made the war inevitable. The Treaty of Frankfort was not a secret document. The Triple Alliance was known for what it was the world over. All Germany joined in the high-seas competition with Britain.

The true cause of the war was the rise of modern Germany, her instinctive and inevitable effort to occupy the place already taken by other nations, and the resistance which they made to her efforts. This resistance led inexorably to alliance and arrived at a combination which left Germany no choice but to try the test of battle or abandon those aspirations which all her people without exception shared. Germany could be only what all Germans desired their country to be, if France, Russia and Britain were pushed aside. The effort to push all three aside led ineluctably to another such conflict as followed the development of similar aspirations in other centuries—not, to be sure, among peoples, but among Kings, notably in the cases of Philip of Spain, Napoleon and Louis XIV of France.

To-day the peril to world peace does not lie in excessive armaments. Their menace is to the solvency of nations. In our present situation, given the enormous debts which

the war has produced, no country can afford to engage in a competition in armed strength. This way lies national insolvency and worse. What menaces peace to-day, and will menace it even more to-morrow, is the brutal fact that the war, in destroying millions of lives and billions of wealth, has reduced enormously the purchasing power of peoples. It is no longer possible for the world to keep pace with the machinery which has been constructed. There are not cargoes enough to fill the ships which exist; there are not customers enough to buy the goods which the factories can produce.

But, for Britain, for Japan, for Germany to a degree, this means a new competition with death. For there are a certain number of millions of people in each of these countries who are fed by the sums earned through the manufacture and export of goods. If the goods cannot be sold, then the millions must migrate; for there is not the smallest chance that the country in which they live can maintain them. This is what the vast unemployment phenomenon means in Britain. This is the danger which overhangs Japan and Germany.

Now the real hope of avoiding the disaster must lie in the opening of new and the re-opening of old markets. But it is clear that many years must pass before Europe can return to normal capacity for absorbing. The future markets for the manufacturing nations must be sought either in Russia or in China. Here are markets which might be developed. Here is an opportunity to sell and to expand which might keep the factories of Japan, of Germany, of Britain busy. But Russia remains closed; there is left only China.

And, in the meantime, we in the United States have developed. While Europe fought, we expanded our plants to do the work which had been done by the factories of the Old World. We continued to produce from 1914 to 1917 while Europe indulged in nearly three years of destruction. To-day we, too, suffer from the shrinkage in the world market. For us the question is vital, too. We have millions of unemployed, we have idle and semi-idle factories, empty ships. For us, too, the solution lies, measurably at least, in the opening of China, the development of that vast country with its tremendous resources and its vast population.

To-day we stand in competition with the Japanese and the British for that Chinese

market. But, if we have an equal chance, there is little question that we shall dominate it. And if we dominate it, millions of Japanese must starve or migrate. And, so far as Great Britain is concerned, it is unmistakable that if we and Germany maintain our factories in work and obtain markets for their products—and both countries are in better physical shape to do this than Britain—the result will be an enduring misery in Britain beyond words to describe.

Hunger is the incentive which drives British and Japanese statesmen to-day. World markets are the prize for which they contend, not as a detail in national development, but as a question of life or death. There are more factories in the world than there is need of. There are millions more human beings in Britain and Japan than can be supported, save through the result of sale and barter abroad of goods manufactured at home; barter against food. Half the nations of Europe are actually bankrupt, others are almost insolvent. The recovery must be slow and long. Meantime, the mill hands in Lancashire cannot wait, nor can the Government—the State—indefinitely continue to support them out of the public treasury.

To reduce armaments is a good thing, a necessary thing; but it is at best a detail. To agree upon policies in the Pacific is an excellent step. But, back of both of these circumstances lies the real factor which must menace world peace: the old question of hunger. We see it to-day in Russia. We have seen it in Central Europe. But Russia and the succession states, with few exceptions, can, in ordinary times, feed themselves on their own lands. This is impossible for Japan or Britain. It is, at most, barely possible for Germany under the most favorable conditions and with the certainty of much undernourishment.

Therefore, as they look to the approaching Washington Conference, and as they view Anglo-French quarrels from a distance, Americans must take cognizance of what has become the dominant fact in the world situation.

Militarism, in the language of the street, is "old stuff." It is as remote as "taxation without representation." So is "secret diplomacy." We are entering a new phase—indeed, we have long since passed into the new phase—and are just discovering the fact. Of all nations in the world the United States is, physically at least, best equipped for the struggle which is beginning. We came

out of the war with the fewest wounds, we hold the world to ransom in war debts, we have the raw materials for our factories at our doors, we can, again, if we choose to, feed ourselves completely.

But our success means measurable ruin for Britain and for Japan, that is, our success in the great competition for the world markets. There is not enough purchasing power to go round, not enough market for all that the world can produce; and if our products are sold, those of Britain and Japan will remain unsold and British and Japanese laborers must starve or migrate. There is the brutal truth of the existing situation.

There is the factor which may make war in the future.

As a contribution to future peace, Washington must do something to meet this situation or its failure will be as great as that of Paris. Nor is it quite clear that there is a remedy. But, in any event, we should beware of illusions, of catchwords, of oversimple explanations. We have invited the Japanese to discuss with us what is for them a matter of life and death. We need not modify our policy on that account; but we must perceive what the essential truth is. Otherwise we shall not only be the victims of deception but self-deceived.

HUGHES AND THE CONFERENCE

BY ARTHUR WALLACE DUNN

CHARLES EVANS HUGHES, the American Secretary of State, will open the first session of the international conference for the limitation of armaments which assembles in Washington Nov. 11, 1921. It is altogether likely that from the beginning he will be one of the most conspicuous figures in the assemblage. It is upon the initiative of this Government that the conference is held; the United States becomes the host of all other nations represented; therefore it is natural that the head of the American delegation under any circumstances should be a leader, and, in the case of Secretary Hughes, it is certain that he will take a commanding position by virtue of his superior intellect and his knowledge of world affairs.

The Secretary of State is often designated as the Premier of the Cabinet, but he is not the premier in the same sense as such officials in the governments of England, France and other European countries where the Prime Minister is the actual head of the government. In the United States the Secretary of State is the senior member of the Cabinet, but only when he is a man of superior mentality does he dominate the Cabinet, and that has rarely happened. Presidents of the United States have always jealously guarded their positions and even the weakest of them have been assertive enough to maintain control of their administrations, no matter how strong may have been the men they selected to head the State Department. The Secretary of State instead of being the Cab-

inet Premier is in reality the Minister of Foreign Affairs. He deals almost exclusively with foreign governments, and when he is a man of real ability he becomes a great international figure.

Great Secretaries of State

It is an interesting fact in connection with the office of Secretary of State that many of the men who have held that position have been considered available for the Presidency. Six men who held the position of Secretary of State were subsequently elected President: Thomas Jefferson, James Madison, James Monroe, John Quincy Adams, Martin Van Buren, and James Buchanan. Fourteen other Secretaries of State have been seriously considered for the Presidency: Henry Clay, Daniel Webster, John C. Calhoun, William L. Marcy, Lewis Cass, William H. Seward, Thomas F. Bayard, James G. Blaine, Walter Q. Gresham, John Sherman, Elihu Root, Philander C. Knox, William J. Bryan, and Charles E. Hughes. Clay, Cass, Blaine, Bryan, and Hughes were actually nominated by their parties for the highest office in the land. That twenty men have been appointed Secretary of State, six of whom became President and the others seriously considered for the office, would indicate that the Presidents of the United States in selecting men for the position of Secretary of State have taken into consideration the prominence they had attained and their large following among the people. Several of the men who have been Secretary of State missed the Presidency by

very narrow margins; defeated almost by accident, or by some unfortunate circumstance. Clay, Blaine, and Hughes are notable instances of men who missed the Presidency under such conditions.

Mr. Hughes in Political Relationships

When President Harding selected Mr. Hughes for Secretary of State there were many misgivings and expressions of doubt among men in public life; and some of those who were pessimistic went so far as to say that Hughes would prove a disrupting element in the Cabinet and go the way of Blaine and Bryan. The public career of Mr. Hughes had not been such as to commend him to politicians. He had been Governor of New York for four years and during that time he had not been in harmony with the leading Republican elements of that State. He was not identified with the old machine politicians, nor was he linked with the progressive Roosevelt element. Even though both of his nominations for Governor were largely the result of Roosevelt's dictation, Hughes never considered himself in any way bound to shape his official conduct in accordance with the wishes of the then President of the United States.

In 1908 Hughes was presented to the Republican national convention as a candidate of the State of New York for President. He was voted for by nearly the entire delegation, but only a few delegates sincerely desired his nomination. On the contrary

most of the New York delegates were working earnestly for James S. Sherman for Vice-President. Mr. Hughes was not an active candidate for President, but after the New York delegates had been selected and instructed to support him he would not authorize the withdrawal of his name, even at the behest of members of the delegation.

Mr. Hughes was nominated for President in 1916 not because the men in control of the Republican party wanted him, but because he was the choice of the rank and file of the Republicans who elected the delegates. The efforts of the Republican leaders, with a few exceptions, to agree upon a man other than Hughes who could be nominated, created the only interest of that convention. Hughes had the advantage of being the one man who had not been mixed up in the Taft-Roosevelt fight in 1912. At that time he was on the Supreme Bench and naturally aloof from politics. He was the only man among all the candidates suggested whom Roosevelt said he would support if nominated.

Charles E. Hughes never was a politician in the sense of the term as it is applied to politicians of the present day—men who scheme and plan for the success of

themselves or their friends, making trades and combinations, and shifting from one position to another in order to catch the popular tide. It is doubtful if in his public and private career he ever did anything for the purpose of increasing his popularity before the people. He was first nominated for Governor



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HON. CHARLES E. HUGHES, SECRETARY OF STATE

because Roosevelt, then President of the United States, told the New York Republicans to nominate him. The Republican leaders, who were in control of the State convention at Saratoga in 1906, would not have acceded even to the demand of Roosevelt if they could then have united upon any other satisfactory candidate. They were at sea and without a candidate when President Roosevelt's message arrived to nominate Hughes.

During his first two years as Governor, Hughes did nothing to placate the Republican bosses or to insure his second nomination. He did not ask a second nomination, and he seemed absolutely indifferent as to whether or not it was tendered him. But again Roosevelt, with his political genius, saw that it would be inviting Republican disaster to refuse to continue a man like Hughes in the Governor's office, and the word went forth a second time from Oyster Bay, and the Republicans in New York took their orders and renominated Hughes.

Transferred to the Supreme Bench as Associate Justice by President Taft, Mr. Hughes became even more austere and more isolated, and came less in contact with the men who were active in politics than ever before. He attended strictly to his duties as a judge of the highest court of the land. He did not talk politics, nor did he seem interested in politics. Even when he was being considered as a candidate for the Republican nomination, and when that nomination seemed almost inevitable, he did not discuss the subject, and gave no indication of his position. Thus the great mass of Republicans who went to Chicago in 1916 did not know whether Hughes would accept the nomination for President if it was tendered him. But while he was withdrawn from public life in a measure during his term in the Supreme Court, and had nothing to do with politics, he was at the same time the idol of a certain portion of the American people, and was in their minds when they were seeking a candidate for President. There were a great many people in the United States who placed a halo about the head of Charles E. Hughes, and, it may be said in passing, he wore it gracefully. Of the disastrous campaign of 1916, the less said the better, although it may be remarked that if the halo had been less bright, and the politics of that year better managed, Hughes would have been elected President of the United States.

Reference has been made to the misgivings

which many leading politicians felt when Hughes was selected Secretary of State. In a few months all such misgivings disappeared like mist before the morning sun. It speedily became apparent that President Harding had made a wise choice, and that his Secretary of State would be, like most of the long list of his illustrious predecessors, a credit to the administration and the country. Secretary Hughes has handled every question that has come before him with tact and delicacy, and yet with a firmness which has been in keeping with the honest diplomacy of the United States Government. Every foreign ambassador and minister who has come in contact with the Secretary of State during the past six months has become aware that he was in the presence of a man of superior ability, a man of keen perceptions, and one who thoroughly understands the international subjects that arise. Our diplomacy is not like that of the old world; it is frank and without deviousness. There could not be a better man to give expression to it than the present Secretary of State. That is the main reason why Mr. Hughes is proving such a signal success in his office.

His Attitude Toward the Press

In these days, not the least important matter in connection with a high public office is that of publicity; the manner in which the public official reaches the people through the newspapers and periodicals. As is generally known, all the principal papers throughout the United States have representatives in Washington, most of them well-trained journalists—those handling the subjects of foreign relations being particularly well-informed on all international affairs and capable of writing intelligently on every phase of diplomacy which may arise. Diplomatic matters at best are rather delicate, and many foreign governments still maintain the idea that the utmost secrecy is necessary. The representatives of such governments are still very insistent that not a word about negotiations which are pending, or even the subjects under discussion, shall be mentioned in the public prints until they are complete. But such secrecy is now not only impossible, but inadvisable. At the same time it is necessary that the Secretary of State, dealing with many delicate and intricate subjects, should exercise great discretion as to what disclosures should be made relating to subjects of negotiations and controversy between the United States and foreign countries. Consequently,

one of the important functions of the Secretary of State is to deal with newspaper men with such tact as will secure the best results; that is, to secure the largest measure of publicity necessary, and without giving offense to the diplomats with whom he is negotiating.

A great many newspaper men, remembering Mr. Hughes as he was while on the Supreme Bench, were very dubious as to what kind of relations they could establish with him when he became Secretary of State. On the other hand, several correspondents, who met Mr. Hughes when he first became prominent, recalled that during the insurance investigation in New York he was particularly helpful and free with the newspaper men. Much of the testimony taken during that investigation was highly technical and involved. At the close of every session, at noon and in the evening, Mr. Hughes gathered the newspaper men around him and explained in a painstaking manner and with great clearness just what the developments of the day meant, and gave all possible help to the men who were assigned to report the important case.

After he became Secretary of State, and as soon as he had acquired a knowledge of his new duties, he became to the Washington correspondents the same Hughes that he had been when dealing with the New York reporters many years before. He talks with the newspaper men freely and frankly, gives them all the information which he believes compatible with public interest, and oftentimes takes them into his confidence regarding subjects which cannot yet be discussed in public. There never is a session with the correspondents in which the Secretary of State does not aid the newspaper men by giving them information which they can use in their own way and which enables them to discuss in an intelligent manner pending foreign questions. The most impressive thing about the conferences which he holds with newspaper men is the keen intelligence he displays, and the succinct answers he gives to questions. Any statements that he is ready to make on any of the subjects ready for

publicity are couched in language that can be used verbatim in a newspaper dispatch, and will clearly set before the reader the exact situation and facts. In the matter of his relations with newspaper men, Secretary Hughes is the equal, if not the superior, of all his predecessors.

An Outstanding Figure at Washington

Secretary Hughes has won the admiration of the members of the President's Cabinet. "It is a delight to listen to him," said the head of one of the departments with whom he comes in close and frequent contact, "when he has anything of moment to say at Cabinet meetings. With words that exactly express his meaning, and in language plain and explicit, he states a proposition so clearly that everybody at once understands it."

No less pleased were the members of the Senate Committee on Foreign Relations after their first meeting with Secretary Hughes to consider an important matter, the new treaty with Germany. "Without reference to notes or data," said one of the members—one of the opposition party, by the way—"Secretary Hughes explained minutely every article of the treaty, its intent and effect. Never before had we met a Secretary of State who so thoroughly understood his subject, and who so clearly explained every phase of it." As evidence that President Harding is well pleased with his chief Cabinet officer, it may be said that he asked a number of members of the Foreign Relations Committee to be present at a conference with Secretary Hughes.

His position as Secretary of State, the Premier of the American Cabinet, his well-known reputation as a lawyer, his splendid record as governor of one of the greatest states in the Union, his years on the Supreme Bench, and the fact that he was the choice of a great party for President of the United States, make Charles E. Hughes a commanding figure. Of all men who may be sent to the conference for limiting armaments, none will have a better record of public achievement than the head of the American delegation.



PRESENT-DAY PROBLEMS OF THE PUBLIC SCHOOLS

BY DR. WILLIAM L. ETTINGER, OF NEW YORK

[This article was written at the request of the Editor, in order that the REVIEW readers might have a summary statement of a few of the problems of the public schools as seen through the eyes of the Superintendent of the largest school system in the world]

IN a recent address Chief Justice William H. Taft began by declaring that: "It has become the fashion to deplore the failure of our representative Government." With equal truth, it might be said that when our schools are made the butt of party politics the forum resounds with intemperate allegations as to their shortcomings. Because of the reiteration of such unrefuted statements, the schools are often conceived to be corrupted by political influences, and stumbling, if not retrograding, along the path of progress.

One unduly depressed by such clinical pictures should hearten himself by going forth into the schools. Watch the educational process in flux and flow and catch the inspiration born of youthful minds expanding under the beneficent influence of skilful teachers. You will quickly recognize that while there may be problems to be solved, there is substantial and enduring progress made year by year. What, for example, are such problems and progressions?

The Problem of Financing Education

The widespread and optimistic conviction that the most influential agency for the maintenance and advancement of our national life is the public school system has not led, as one might expect, to a clear determination of the relation that school systems bear to municipal governments. Although the well-established legal theory is that education is a function of the State delegated to the municipality as a matter of convenience, the fact remains that in New York City, for example, practically 80 per cent. of the cost of educational service is borne by the city. Furthermore, because of ambiguous statutes which purport to define the powers of the Board of Education and of the city financial authorities, there is a zone of divided responsibility and doubtful authority which is pro-

vocative of controversies that are most detrimental to the progress of the schools.

Although methods of school work should not fluctuate with kaleidoscopic rapidity because of change of political administrations, but, on the contrary, should have a continuity and stability born of well-matured educational policy, one must admit that because of the financial phase of the problem the schools are a recurring political issue. As the fortunes of the different political parties are closely correlated with their ability to control a rising tax rate, it is not surprising that in the absence of clear-cut statutes defining financial and administrative control of the schools, each succeeding city administration should be identified, for better or for worse—usually the latter—with the conduct of school affairs. Nor should we judge our city fathers too harshly, even though they see through a glass darkly. It is most unfortunate that we should hold each succeeding city administration responsible for the financing of school needs, calling for 25 cents on every dollar of the tax levy, and at the same time expect them to refrain from exerting a control, or possibly a coercion, that has no justification in law.

Progress in the Elementary Schools

Probably the most characteristic advance in elementary schools has been the rejection of the assumption that all children are practically alike in physical and mental endowments, and also that children with marked physical defects of sight, hearing, or limb have no place in the public schools. Today progressive school administration requires that an earnest effort be made to sort our children on a scientific basis, so that group instruction may still be consistent with the recognition of the fact that as regards physical and mental traits, one group differs widely from another. Up to the present,

perhaps the greatest waste in education has been due to the crude classification of pupils. A vast amount of time, energy, and money is wasted whenever masses of children are grouped without regard to those physical and mental characteristics which individualize them and yet which, when properly recognized and made the basis of grouping, permit class instruction to be carried on very profitably.

If we are to eliminate waste, children of widely different abilities must not be grouped in unit classes. The child with anemia, with defective vision, the stammerer, the cardiac and the mental defective must not be placed in severe scholastic competition with normal children. A violation of this principle of organization means, as regards the children, not only extreme personal discouragement and the loss of self-confidence, but also considerable expense to the school system, because such children are repeaters in the grades. The proper classification and segregation of such children is therefore desirable, not only from an ethical, but also from an economical, standpoint.

In addition to such efforts to make definite segregations of pupils with marked physical and mental defects, a striking feature of the administration of our most progressive elementary schools and high schools has been the application of tests that bespeak an earnest effort to group children on the basis of their ability in order that they may more fully derive the benefits of instruction and in order that their achievements may be measured by definite standards of attainment, instead of by the unstandardized judgment of the average teacher.

Perhaps the day may yet come when, despite our graded class system, it may be possible, through the application of intelligence tests and also achievement tests, to eliminate the holdovers by providing that each child, although traveling as a member of a class group, will travel at his own gait and in terms of his own ability. The day of the educational lockstep, in which bright wit and dull pate were harnessed together, has vanished forever. The so-called retardation in our schools is simply a measure of the crudity of our methods of classifying children and measuring their attainments.

Only by the application of scientific standards as a substitute for the rule-of-thumb estimates of former days can we justify ourselves in claiming that teachers constitute a professional body keenly alert to the scientific

developments of the day. I am happy to state that many of our superintendents, principals, and teachers have equipped themselves through careful study to be leaders in this progressive movement. In many of our best high schools and elementary schools pupils are being graded and advanced on a much more scientific basis than ever before employed.

The Continuation School Law

Conditions incident to the World War, such as the revelation of illiteracy among drafted men, both here and in England, gave a great impetus to the enactment of continuation school laws that provide an extension of our elementary and our high school systems, to serve those pupils less than eighteen years of age who dropped out of the elementary schools or the high schools before securing the full benefits of a high-school education. Formerly we permitted immature children to leave school at the age of fourteen with the bare rudiments of an elementary education and, with blind optimism, we left them to their own initiative to avail themselves of the opportunities offered by our evening school system. Experience proved that either many did not avail themselves of such opportunities, or that their physical condition after the day's labor was such as to make such attendance unprofitable.

The law now on the statute books is properly regarded as an epoch-making advance in educational service. Commissioner John H. Finley, who sponsored the bill, called it "the children's charter." He defined the law as having a twofold purpose: the preparation of youth for participation as citizens in the political life of the State; and also the guidance toward and the training of youth for useful occupations.

In accordance with this law continuation schools have been organized throughout the city, and ample financial provision is being made for their support. Completely to work out the problem will involve the development of a parallel system of schools doing modified elementary school and high school work; will call for the expenditure of millions of dollars, and also will require a much longer period than the original statute contemplated.

The Growth of the High Schools

A very reassuring index of parental appreciation of the value of secondary schooling is revealed in the steady growth of our high school system. Not only has the high school

register doubled during the past ten years, but the increase in register during the past term was unprecedented. The school year 1922 will probably shatter all theories of normal increase in high school register. In fact, our high school pupils have rapidly outgrown our high school accommodations, so that at present we have such schools as the Washington Irving, the De Witt Clinton, and the Stuyvesant High School, with registers approximating 5000 each, making necessary the use of double and triplicate session programs, which tax school facilities far beyond their normal capacities. We are making provision for the erection of several new high schools, aiming to locate them in closer proximity to the pupil groups which they accommodate, thus lessening the dangers, inconvenience, loss of time, and expense incident to long journeys made twice daily.

As in the elementary schools, in which, in the interest of a more democratic type of curriculum, we have established citywide a system of junior high schools offering differentiated courses to the children in the seventh, eighth, and ninth school years, so in the organization of our high schools we are attempting to offer specialized work to children in accordance with their varying abilities. Thus, in addition to the typical classical, commercial and technical high schools, we have recently added a textile high school which will aim to train pupils for entrance into the clothing and allied industries, and also a coöperative high school, which permits pupils to alternate between the classroom and the commercial world, the school work being correlated with the type of real occupation in which the child is engaged.

Not only have different types of high schools been organized, but the courses of study generally have been undergoing constant modification and enrichment to meet the social demands arising during the period of war and reconstruction. Courses in civics, economics, and European history intended to give additional insight into current social problems have been organized, and Spanish and French have proved to be serious competitors of Latin. German is being studied by very few. Marked success has attended the development of certain phases of high school work in physical training and art.

An achievement worthy of record has been the organization of work in our evening high schools so as to secure from the Regents the same recognition for purposes of credit as

the work done in the day high schools. In other words, the day high school pupil who through force of circumstances has been compelled to go to work may carry his high school education to a successful completion.

A general survey of the different parts of our school system, whether it be the application of more scientific methods of classification in the elementary grades, the citywide extension of the junior high school, the organization of the continuation schools, the modification of the high school curriculum, or the development of new types of high schools, is all indicative of the fact that our school system is keenly responsive to the demands of a larger, better social life.

Our Teaching Staff

In the last analysis the effectiveness of our whole education scheme is conditional upon having an efficient, contented teaching corps. In this respect New York City is very fortunate indeed. The teacher supply is adequate and the teachers, approximately 24,000 in number, are conscious of the high esteem in which they are held as professional men and women. We are not without a limited number of those whose desire for personal exploitation and whose acidulous tongues make them apostles of discontent and radicalism. They claim that the teachers constitute a sort of intellectual proletariat who differ in kind and degree from supervisors and administrators. These latter, by analogy, are stigmatized as a sort of pedagogical capitalistic class, who challenge not only the kind of professional service which we should render, but who even scoff at the holy obligations that we owe to the State and to the nation. They inflict little real damage by means of their verbal bludgeons other than possibly misleading the public into the belief that we, as teachers, are incompetent, ungrateful, or pessimistic.

The truth of the matter is, of course, that our teachers render service without stint in a spirit of loyalty and gratitude. We know that as a profession we now have a rank and dignity never before attained by those in the teaching service. Admission on the basis of proved competency, adequate compensation for all ranks of the service, permanency of tenure, except for the obviously unfit, supplemented by assured pension benefits, are features incident to our professional employment that entitle the community to demand the exceptional service which the teachers are proud to give.

TEACHING CURRENT EVENTS AS TRAINING FOR CITIZENSHIP

BY JULIUS H. BARNES

WHEN America's business men recently read the results of a "current events test" issued by the REVIEW OF REVIEWS, I imagine that most of them were less interested in the results of this first nation-wide test than in its existence and its possibilities. Whether, given time, we shall "pass" or "miss" a test in current events is vastly less significant than that a nation's attention is being called to the need for teaching current events, and the possibility of training for citizenship through such study.

To many of us who are beginning to relate public understanding to public support for schools, there are two other significant phases. It means much that magazines like the REVIEW OF REVIEWS will seek to encourage the teaching of current events by providing a means of knowing the results secured and a basis for better teaching in this subject. In some cases, even more interesting, is the fact that teachers, principals and superintendents representing more than 200,000 pupils requested copies of this test for use in their classes, and that State superintendents, city superintendents, principals, and heads of private secondary schools cooperated by distributing the test, by scoring the papers and reporting results.

While the REVIEW OF REVIEWS has not asked me for suggestions about extending this testing service, I am nevertheless tempted to express regret that 200,000 of America's taxpayers, and an equal number of women voters and labor leaders, could not have been given this same test. For, after all, is not the test of our teaching and of our public education the way in which adults, after leaving school, read and think about current events? Possibly many will want to take advantage of the future tests to be issued by the REVIEW OF REVIEWS during the school year.

The questions were not "catch questions" calling for freak memories. They called for a knowledge of twenty frequently mentioned persons, such as Warren G. Harding, Lloyd

George, Henry Cabot Lodge, Charles G. Dawes, Judge Landis; ten places often mentioned in the current press, as Ireland, Ruhr Basin, Moscow; an understanding of ten terms common to current history, like Sinn Fein, Sovietism, Budget, Soldier Bonus. Each person or subject was to be identified or explained in a sentence. Twenty questions, including these, were asked: "Name the presiding officer of the Senate," "Who was President Wilson's secretary?" "What changes were made in our country by the last two constitutional amendments?" A page containing photographs of ten prominent men and women—General Pershing, Secretary Hughes, Mr. Cox, Mr. Hoover, "Uncle Sam"—called for the naming of the photographs, and five cartoons for which captions had to be provided completed the test.

The group of questions found easiest was the one which required the furnishing of captions for the five cartoons. Students who know little about events had evidently looked at the pictures in current magazines and newspapers, as correct captions were easily supplied for the cartoons representing current problems. Naming the photographs was found more difficult. The picture most often missed was that of James M. Cox; next was Thomas A. Edison. The lack of knowledge regarding Mr. Cox may be explained by the fact that the test was given seven months after the election and the frequency of Mr. Cox's picture in current papers and periodicals had materially decreased. Within 100 miles of Mr. Edison's home 14 out of 27 students did not recognize his picture. In one State College three of 36 students failed to recognize Uncle Sam, and quite a number of others identified him as Senator Borah and "Uncle Joe" Cannon.

The papers from 15 fourth-year high-school classes were specially analyzed to find out which of the twenty persons, about whom they were asked to give some current fact, were best known. Every student an-

swered correctly the question about President Harding. The person next best known in this group was Eugene V. Debs. The facts that he was the Socialist candidate for President, is now in jail, and that efforts were being made to secure a pardon for him were missed by only 8 per cent. of these students. Lloyd George was missed by 14 per cent., Samuel Gompers by 15 per cent., and Robert Lansing by 18 per cent. These papers indicate that about two out of three high-school students will answer correctly when asked about people who enjoy nation-wide publicity similar to that conferred on William E. Borah, Madame Curie and John Burroughs. Judge Landis, the only name taken from the sporting page, was known as well as D'Annunzio and Obregon, being missed by 43 per cent. of the high-school seniors. This does not indicate, as some have claimed, that sporting pages get first attention from America's young citizens.

As examples of misunderstanding and misinformation with respect to current problems, the following answers have been taken from the papers:

Samuel Gompers was variously described as the head of the shipbuilding trade, a poet, head of the strikers, president of the sugar trust, leader of the G. O. P., president of the Steel Company, head of the Interborough, and minister to England, Japan and France.

Viviani was the first woman elected to Congress.

Senator Lodge, who was known to but seven of 21 high-school seniors in a New England city, and unknown to about 50 per cent. of high-school students taking the test in Pennsylvania, was described as a socialist agitator, a great politician, a believer in conversation with the dead, a Senator who favored the League of Nations, an English speechmaker, and an advocate of spiritualism. Sir Oliver Lodge's visit—made about the time the test was given—may be responsible for some of these incorrect answers.

That it pays to advertise was illustrated by the many students who credited John Burroughs as the inventor of an adding machine, and ingenuity was shown by one who states that "John Burroughs was a borough president."

George Harvey, the new Ambassador to England, was thought to have held such positions as secretary to ex-President Wilson, a famous aviator, Congressman, and an inciter of a social uprising in England.

Other answers gave Obregon as a "bill in dispute," Hymans as secretary to Harding, Madame Curie as an opera singer, Debs as Secretary of the Treasury, and Lenine as the Sinn Fein leader.

The average grade from approximately 17,500 students ranging from the seventh grade elementary school to college seniors is shown in the following table. The range covered by those reporting was from 8 per cent. to 100 per cent., with a country-wide average of 44 per cent. Of the 17,500 students, 330 received a rating of over 90 per cent., 1385 over 80 per cent. and 2708—one in seven—over 70 per cent.

Class	Reporting	Grade
College	519	55%
4th year high school....	4262	51%
3rd " " "	3133	50%
2nd " " "	2979	42%
1st " " "	2885	35%
8th grade	2250	42%
7th grade	1429	29%

One must remember that mixed in with these low general averages were many reports that show excellent results. An eighth grade of 94 students in one city made an average of 97 per cent.; 104 high-school seniors in another city answered correctly 87 per cent.; a private secondary school scored 95 per cent.; another high-school class, 97 per cent. There was a sufficient number of these high scores to illustrate that the students can be interested in current events and can rank as high in current facts as in ancient and mediæval ones.

That greater attention is being given to teaching and testing current events as a regular study in our secondary schools and colleges—and perhaps in technical and professional schools for training such shapers of public opinion as lawyers, physicians, engineers and ministers—and certainly in training schools for teachers, is indicated by the reception which the lay press gave to this test, and the interest exhibited by all educators in the results.

After analyzing the results for the REVIEW OF REVIEWS, the Institute for Public Service believed it found in them five lessons for the new school year:

(1) Unless schools teach current events, young people while getting an education in school and college will put off learning how to study them until after their school days.

(2) Instantaneous exposure or long-time exposure to current events, *i. e.*, reading or

hearing about them without being tested on what is understood and digested, will leave students confused and helpless in thinking about vital public problems.

(3) Where current events are studied and tested, young America can easily be taught how to read, to enjoy reading and to think straight about critical current events.

(4) What hundreds of teachers are already doing well, thousands can do so well that students will not lack training in an analysis of current events.

(5) No democracy can expect straight thinking from a public that is not trained while at school to read regularly, to enjoy, and to think straight about, current events.

QUESTIONING CANDIDATES

BY MARJORIE SHULER

WOULD the average voter, man or woman, remain indifferent concerning the officials at the bottom of the ticket if he were informed that the candidate for health commissioner was by profession an undertaker, that the candidate for alderman was opposed to adequate school appropriations, that the sole qualification of the candidate for commissioner of streets and markets was that he needed a job? In collecting evidence in answer to this question the women voters are making a valuable contribution to American politics.

Throughout the country where there are elections this autumn women voters are questioning candidates, and placing the results of their investigations directly in the hands of the average voter. This is their means of determining whether political conditions demand the short ballot. The short ballot, reducing the number of candidates to be elected and delegating to them the appointment of minor officials, seems to many women to abridge their hard-won right of suffrage. If it is possible to do so, they prefer to arouse the indifferent voter, man or woman; and instead of relieving him of any duties, to require him to live up to the full responsibilities of citizenship.

Questioning candidates is not a new idea. It has been successfully done by some civic groups of both men and women, and by some national organizations interested in specific federal legislation. But the work, as it is being done now, is on a more constructive, a more permanent, and a more general scale than ever before.

Take, for instance, the Pennsylvania women who have initiated a unique method of requiring candidates to appear at public meetings and state orally their answers to the required list of questions; the Boston

League of Women Voters, which has issued a very complete booklet on the nominees in the approaching election; or the New York City League of Women Voters, whose method of questioning candidates has been tested in three previous elections and is now being copied generally in other parts of the country.

The New York City League begins its work before the primaries by sending delegations to each candidate, asking him to fill out two blanks. One of these is a personal record of his place and date of birth, term of residence in the locality, education, occupation, the length of time he has been active in politics, previous political offices held, and his special training and experience for the duties of the office to which he aspires. The second blank deals more particularly with the problems likely to come before him while in office. This year, candidates for judgeships were asked among other questions if they favored women jurors. Candidates for Comptroller, President of the Board of Aldermen, and Borough Presidents were asked if they would work for an appropriation for the immediate erection of more school buildings; for making the present buildings sanitary; for a five-cent street-car fare; for abolishing the present method of garbage collection for a better and less expensive plan; for terminal markets; for remedying the housing situation. Candidates for the assembly were asked a number of questions, ending with a demand to know if they would favor revision of the rules of the legislature insuring discussion and action on all important measures on the floor of both houses.

The first year (1918) that they were thus approached, candidates were in many instances reluctant to answer, apparently

sharing the opinion of the man asking for reflection to the assembly who said, "My constituents don't weigh records, they weigh parties." Only about 75 per cent. of the candidates were persuaded to answer that year. Last year the response had increased to 90 per cent. This year it is practically 100 per cent., and for the first time the candidates themselves have given publicity to their replies through the newspapers. One of the candidates close to the head of this year's ticket wrote to Miss Mary Garrett Hay, Chairman of the League, "If I do not hear from you to the contrary I will release copies of these answers to the newspapers on Thursday." Which he did.

The questionnaires are posted for reference at the League headquarters until after the primaries, when the replies of the winning candidates are printed and mailed to registered women voters. The average cost of compiling, printing and mailing each information sheet is about four cents. Additional copies are distributed at political meetings, and are available to organizations and individuals asking for them.

No comment other than the candidates' own statements appear on the information sheets, save such an explanation as Mrs. Charles L. Tiffany, chairman of Manhattan Borough, uses for those distributed in her district: "This information has been obtained from answers to questionnaires sent out by the above non-partisan League, whose aim is to help New York to a better government. We are trying to interest women in the character and ability of the candidates—to encourage them to vote for men and not by emblem."

The interest aroused by these information sheets is remarkable. Women may be seen at political meetings checking the sheets as they listen to the speakers. In the lines of those waiting to vote at the polling places last year were hundreds of women holding in their hands copies of the information sheets which they had marked. Women whose lack of familiarity with political affairs evidently prevented their carrying in mind the names of the candidates were intent on making sure that they voted in accordance with the best records, qualifications and pledges of the men running for office.

The information sheets are not used solely by women. One man tells that he borrowed his wife's information sheet last year, marked

it according to the facts he read there, and then found when he was inside the polling booth that he had left it at home. "I tried to remember which candidates I had chosen," he says, and adds with a rueful smile, "when I returned home I found that in the case of every minor office I had voted for the wrong man."

At a Lawyers' Club luncheon last autumn fifty men discussed one of the sheets which had been received by the wife of a member of the club, and they said that their votes for judges were materially affected by the information they gained. Husbands have in several instances sent checks to the League out of "gratitude because my wife is a member and receives this information which I have no time to collect for myself."

Three letters received at the League headquarters illustrate the response of voters to such information:

"I want to express my appreciation of the very illuminating folders which you sent to women voters previous to the election of last Tuesday. I happen to be one of the many thousand working-women voters of this community, and found I had neither the time nor the ingenuity to look up the record of each of the candidates for whom I was asked to vote. I wanted to vote as intelligently as possible. You helped me to do this."

"I was seeking just such information; as, though I am a Democrat, I do not wish to be a blind voter, but to uphold the best people who present themselves for office."

The third is signed by the head of the civics department in one of the largest high schools in the city: "My attention has been called to the publication giving the stand of the various candidates, and, believing this to be of great value in connection with the instruction in civics in our school, I am taking the liberty of requesting about twenty copies of this publication for the use of the teachers."

Encouraged by the interest which the average voter has shown in this work, sentiment is growing for the extension of the Oregon pamphlet law, by means of which information furnished by the candidates is printed and distributed by the State at small cost to the candidates, but modifying the law by introducing the simpler, condensed answers on required topics which are the outstanding features of the women's plan for questioning candidates.

THE RECOVERY OF BUSINESS

BY J. LAURENCE LAUGHLIN

I.

ALL was light and gaiety when war-prices were rising and wages and profits were at unparalleled heights. It is different now. As Satan said, "Descent and fall to us is adverse." The great decline of prices has brought hardship and failures in its train. To-day we find ourselves in a sick mood of depression:

"So comes a reckoning when the banquet's o'er,—
The dreadful reckoning, and men smile no more."

There is no need now to call in the leach, for the patient seems already to have been thoroughly bled. He has no profit from his ventures, and the unemployed are hungry at his gates, while winter is not far ahead. He seems listless and discouraged. There is an agreement of expert opinion that the illness is not fatal, and that recovery is only a question of time; but in this case time is money. Will it take long to purge the industrial system of its toxins? Must we trust the slow course of nature to bring back normal vigor, or should a hastening tonic be administered? Of course, the worse the illness, the slower the recovery.

II.

In casting up the reckoning, the entries show the main cause of illness: a huge figure of piled-up indebtedness on one side of the account, and insufficient or unliquid assets with which to meet them on the other. When earnings were fabulous, the optimistic manager had enlarged his buildings, bought heavily of new equipment, piled up stores of materials, increased his force, and pushed his borrowings to the limit of his credit at the banks. His obligations were in the figures set by the high level of prices. The workmen, too, lost their heads. Phenomenally high wages gave a hitherto unknown purchasing power over goods, without any greater efficiency or more physical exertion.

The claim of the dreamers that labor was to be "put on a new footing" seemed to have been realized. Visions of a new world

seethed in the brains of all who sat at this speculative banquet. The fever had entered the industrial system. But time brought a check. The Federal Reserve doctors first gave warning of dangerous symptoms in November, 1919. In April, 1920, the long decline began. A serious convulsion appeared in December, 1920, when earnings failed to feed the vital organs. Within, the tissues were still being consumed, when, by the advice of "sunshine" doctors, the patient in the following winter and spring arose too soon from his bed, only to be prostrated by a serious collapse in June, 1921, followed by a fainting spell in the succeeding August. Evidently, the fever had consumed more strength than was generally supposed, or the treatment had been unfortunate.

III.

The creation of enormous obligations entered into in a spirit of expansiveness would have been difficult to meet even in a time of hardy business condition. But just when the attack needed the strongest constitutional resistance, our industrial fibre gave way. If heavy losses and indebtedness had to be met, they could be met—if time were given—only out of current effort and production. Unfortunately for a quick recovery, however, demand fell off, carrying with it a fatal reduction in the production of goods. This seems to have been something of a surprise to the doctors, and a very disagreeable complication. So far as this country was concerned, war and destruction had ceased, workers and resources were as great in 1921 as in 1919, and yet production had suffered a serious decline with the inevitable unemployment of millions of men. Crops (except cotton) in 1921 were fair, and yet the farmers were crippled in their purchasing power. What was the *sabot* which had been thrown into the industrial machinery?

When a scaffolding has been slowly built up around a great building, one board nailed to another, to scantling on scantling, it affords us an illustration of the way in which reciprocal demand is built up through the

intricate maze of interdependent industries. By the offer of the products of one industry against the products of others, effective demand exerts itself; and the offer of others for the fruits of effort in the first group creates a reciprocal demand—a coöperative social operation in which supply is the basis of reciprocal demand. It is obvious that a diminution of production involves a reduction of supply, and so of reciprocal demand. Take away the means of buying shoes, and the group of shoe-producers cannot buy wheat. Draw the nails out of the boards acting as reciprocal trusses in the scaffolding, and a weakening in a "key" position will sooner or later bring down the whole interdependent structure. Where structural weakness exists, a very slight strain can pull down the whole fabric in splendid ruin. It may crash down in one dusty minute; but it will take months of painful toil, and much new timber, to adjust one piece to another in order to raise a new structure equally high. And the new one will never be exactly like the old one.

IV.

What we must face in studying the present industrial disturbance is the cosmic upheaval, in Europe and elsewhere, as well as here, of reciprocal demand and the accompanying reduction of production. These are the elements that have given an international character to the existing depression in business. The symptoms of this depression are very much alike in North America, Europe, South America and Asia. The reasons are not far to seek. They have their liaison in the widespread high level of war prices. The sources of supply of materials such as wool, wheat, copper, jute, leather, nitrate, all over the world, from Alberta to La Plata and from Stockholm to Melbourne, came under the influence of war demand and the speculation that invariably attends on rising prices; and added to them was the unregulated climb in the payment for all kinds of labor. Swollen prices of materials and human services spread over the world swollen expenses of production. Hence the general rise of prices in all the ports of the Seven Seas. *Sic itur ad astra* for prices.

But this phenomenon contained in its belly the seeds of its own undoing. Nature, in its economic workings, had to be reckoned with. It is axiomatic of the economic world that as prices rise demand tends sooner or later to fall off. There are no limits to

men's desires; but the limit to what they can buy is what they can offer as purchasing power—that is, the marketable goods they possess or can produce. It is not the amount of money or credit, but the amount of salable goods they possess, which can be converted into money or used as the basis of credit, that counts.

For instance, a farmer's crop is the limit of the money or credit he can use as purchasing power. Therefore, a limited purchasing power is directly constricted by the rising level of prices. The number of bushels of wheat produced by a farmer, multiplied by the price per bushel, stands opposite to the goods he wants, multiplied by their prices. If tools, machinery, fertilizer and shoes rise in price more than his wheat, he must buy less. High prices lessen his demand. So of all incomes, especially fixed money incomes. In short, a general change of prices such as that which came after the war forces a readjustment of demand and supply. If a fall from high prices causes a shift in demand, the quantities of goods produced are affected. Some industries are stopped. A lessened production in any one group in turn reacts on the demand of that group for the goods of others. Because of the interdependence of industries a blow to one is transmitted to all the industries of our system (much the same as in the hydrostatic paradox).

V.

Most important of all in causing a lessened demand has been the reduced production due to the destruction of war. If Europe cannot produce goods for export she cannot exert a demand for our breadstuffs and materials. She lacked copper, cotton, or rubber; and could get them only on credit, hoping to pay for such materials out of the proceeds of the finished goods when sold. Political unsettlement, however, actual war, or starvation have only too long choked off her production. Hence European demand has declined; and we have in crippled production the explanation of the striking decline in our exports and imports during the last year. To a certain extent, of course, the larger agricultural production in France and elsewhere reduces the demand for our breadstuffs. The difficulties arising from foreign exchange—apart from those due to depreciated currencies—are secondary, while those of production are primary.

The falling off of production, in its

effect on demand, works in two ways: (1) it may appear in a lessened number of units of product, or (2) it may show in a lower price per unit. The purchasing power of a cotton planter, for example, is a function of two variables: the number of his bales of cotton and the price per bale. If his crop is 1000 bales and each bale is sold at \$200, his purchasing power is represented in money by \$200,000; if the price falls to \$60 a bale, it is only \$60,000; and if the crop falls to 600 bales, at the low price, his purchasing power is only \$36,000; but if the price rises (as it has lately) to \$100 a bale, his purchasing power mounts to \$100,000, with which he can pay off his loans.

Instead of a war price of 40 cents a pound for cotton, the fall to 12 cents struck a vital blow at the purchasing power of our Southern planters. If obligations were entered into on the level of aspiring ambitions when prices were high, it may not alleviate the burden of debt to realize that the fall in prices of cotton (and breadstuffs as well) was due to the reduced production, and hence the reduced demand, of a Europe impoverished by war; but it should teach us that the way out is only by hard work in producing articles in which our efficiency is greatest, and not by blocking European demand through senseless customs duties.

Those who wish the Government, or the Federal Reserve Board, to relieve the sufferers from the decline of prices are following a false scent. Demand fell off from a world-wide upheaval in production. The remedy lies not in holding up goods for higher prices, because the elements entering into expenses of production, and the prices of goods, have fallen; materials and labor cannot again be put back on the high war level by any act of Congress or by any expansion of credit. In that way madness lies. The means are wholly unsuited to the end.

VI.

The question of immediate and vital interest to-day is not so much how we got into our present economic depression, as it is how to get out of it. The smart of loss is felt by all classes, and it would not be strange if the nation were again deluged, as in the years following previous crises, by a flood of ill-conceived schemes to bring about a quick recovery of prosperity. It is already clear that the recovery of business is not only of economic, but of political, concern.

From what has been already said, the crux of the whole problem seems to lie in a restoration of reciprocal demand through well-balanced production; that is, a production properly adjusted to the reciprocal demands of buyers and sellers; and carried on at such expenses of production (controlled by prices that buyers can afford to pay out of the proceeds of their own sales to others) that materials and labor are to be had by all groups of industry without special monopoly for some. The storm has been raging furiously; the surface of the sea of industry is yet uneven and dangerous; but now that the blow is over it is in the course of nature that normal equilibrium should in due time return.

In what way can this reciprocal demand be conjured up again? To many business men this is a hopeless quest, because of widespread losses and greatly reduced purchasing power. One company in the leather industry is reported as having suffered losses in its inventories of over \$30,000,000; and a fertilizer company, of \$11,000,000. Then the reduced value of products together with a great decline in sales has forced the passing of dividends to shareholders by well-established organizations. The dividends lost to holders of stock in perhaps nine sugar companies is estimated at over \$22,000,000. Moreover, some millions of workingmen are out of employment and their purchasing power is accordingly cut off. The fall in the prices of cotton and breadstuffs has halved the buying power of the agricultural districts. In the face of an enormous reduction in demand due to losses of this kind, how can we expect a recovery of business? Where can demand come from?

VII.

Even if the volume of water in a reservoir is drawn down somewhat below its usual level, the pressure in the pipes supplied by it remains much the same. It must be kept in mind that the depression of to-day is not a complete cessation of industry. Far from it. At the lowest point of production it is stated that the steel industry was working at about 20 or 25 per cent. of capacity. In bushels the corn crop is as large as ever. Although most of the mines are closed, the surplus of copper is steadily being sold. The low price of wheat is causing an extraordinary increase in our exports of late. Moreover, cotton is moving abroad and its price is rising. In brief, we are now witnessing

the beginnings of a phenomenon the very reverse of that happening when prices were found to be so high as to stifle demand. A reduced demand is a means of checking supply, until expenses of production and prices arrive at a point at which demand is again quickened. The long and painful decline in prices has in general about come to an end, although labor costs still keep up the expenses of producing many goods, especially in house-building.

But whence does the increasing purchasing power come? Who is buying the 25 per cent. of steel production? Other producers, who are making tools, machinery, or automobiles. Now, how can such demand increase all around? Here we come upon what may be described as the elasticity of expenditure within any given income (provided, of course, that it is above the necessities of life). Beyond a certain expenditure for food, housing and clothing, according to a person's habitual usage, there is wide opportunity for changing the direction of purchasing power, under emergency conditions. Unessential goods may lose demand. Hence in our present state we may first look for a quickened demand in essentials. In their production, materials and labor are likely first to reach stabilization.

From this basis the superstructure of a varied demand will rise—and often with surprising suddenness. Everywhere are those seeking to find out a market for goods. That means the discovery of someone who is trying to increase his products, provided a reciprocal buyer will offer him acceptable goods in return. This tentative reaching out of reciprocal producers goes on almost unnoticed, and on a small scale.

Salesmen on the road are the first to notice it. Economizing in outlay in order to lower expenses of production, and by creating a disciplined efficiency, goods are offered at prices so low as to tempt buyers. This process spreads. Then as prices are generally regarded as having reached the bottom, purchasing for future orders may be undertaken without fear of loss. As quantity-production is enlarged, overhead charges per unit of goods are reduced, allowing lower prices; and industry openly prospers.

No one knows when this may come; but unexpectedly the business world wakes up to find that a healthy recovery has come overnight. Demand returns; but demand at a price which meets the estimates of large classes of reciprocal buyers and sellers.

Recovery can come only through enlarged production. The scaffolding which fell with so much ruin is now being meticulously built up again, safely trussed. It is a process which takes time, and often exhausts patience.

VIII.

It is not necessary to spin a web of theory with which to catch some careless flight of economic fancy. The path to recovery lies straight before us. Recovery can come only from within, by the renewal of economic structure; that is, by using the factors of resources, labor and capital under such skilled management that each will exert its full efficiency and each be paid in a competitive market in proportion to what each contributes to the joint productive result. Whatever variation exists from such payments in the friction of industrial operations, the tendency must lie always in that direction. It must be worked out, not by politics, but by the concrete production which provides reciprocal demand.

In this process credit plays an important rôle. It is a function of credit to reach forward into the future. While based primarily on salable goods, it is granted on the evidence of goods in the processes of production. If skilled producers have lost heavily in the decline of prices, and if their bills payable have been long carried by the banks because demand has failed, it is in the very nature of credit, nay, its bounden duty, to help on the growth of newly born production. In a time of crisis it is the law of self-preservation for institutions of credit to lend freely in order to prevent undue sacrifices in the liquidation of assets—only out of which can their own liabilities be met. But to-day credit is sound and available for any legitimate loan.

Therefore, when producers see demand picking up, they should—and will—receive generous aid from the dispensers of credit. Credit will give the crippled business system a crutch to help it walk. Credit does not create capital, but it can direct it where it will be most effective. Through the item of bank loans to commercial operations we have a register of the different phases of business conditions. At one time, when the great break in prices came upon us, and demand fell off, the loans to business men were heavy. To have pressed for payment on maturity would have caused irreparable ruin.

The load of credit was the heavier

because our Treasury had used the Federal Reserve System and the member banks to carry tens of billions of Government loans. Our system of credit met the strain magnificently. The amazing resiliency of our industrial conditions, by which loans on Government securities have been reduced, and by which commercial loans have been paid off up to date, is one of the most encouraging manifestations of a return to sound health that have happened in all the confusion since the close of the war.

Credit allowed time for heaped-up goods to be sold and loans to be paid off; it gave a chance for economy to be introduced and to raise up savings to help in reduction of debts. In the stage of stagnation after the *debacle*, the call upon credit is less; reserves of gold have increased, and rates of interest

will fall. In the next stage of recovery, as new production slowly expands, it will be aided by credit; the increase of commercial loans will mark the rising tide of recovery. They will rise as more goods are produced and exchanged for each other.

Thus we need have no fear that there will not be an effective demand, when reciprocal and well-adjusted production picks up, because of any lack of purchasing power. That will follow production as the shadow follows the substance on a sunny day. Industry, skill, work, and a coöperative spirit on the part of labor and capital are the regimen for the ultimate and complete recovery of business. If the considerable rise in the price of cotton were to be followed quickly by the passage of the railroad refunding bill, it would act as a stimulating tonic.

FINANCING THE FARMS' MARKET

BY CHARLES MOREAU HARGER

THE American farmer has received from the Government new legislation in his interest, the most comprehensive in the history of the nation. It includes the Emergency Tariff bill, the law regulating grain exchanges to eliminate practices detrimental to fair marketing, packer control, increase in the capital of the Federal Land Bank to allow of more extensive lending facilities, and the expansion of the War Finance Corporation to enable it to help finance agricultural operations at home and to develop export trade.

Of all these the last has a particular interest for the producing area, affecting as it does the price of products through the influence of more efficient financial machinery for the establishment of credits at home and abroad. The farmer with his marketing done but once a year—at the end of the crop season—always needs credit; the development of foreign purchasing is dependent upon the ability of the consumer overseas to pay for the food he receives. With one billion dollars available under the new plan, it is expected that definite benefits can be secured in both directions for the farm country.

For a year the financial situation in the agricultural States, with special reference to the farmer and his crops, has occupied a

prominent place in banking and governmental discussions. This is due partly to the demoralization of the farmer's market as a part of the deflation process. In a few weeks he saw the price level of his products drop nearly to pre-war figures, antedating the reductions in the prices of commodities he must buy. He revolted and started the readjustment period in earnest—an experience through which we have not yet fully passed. Directly connected with this decrease in his income arose the question of the future and the problem of our export trade in farm products.

Exporting Our Surplus

As an example, the American farmer raises more wheat than this country can eat. He must have a market abroad to absorb the surplus if he is to receive a fair price for his production. For the past decade the domestic consumption has remained fairly steady, averaging approximately 600 million bushels a year. We have sent abroad the surplus. Generally speaking, from one-fifth to one-third of our wheat is exported; and about one-third of this exportation is in form of flour. Less than 2 per cent. of corn is exported; from one-half to two-thirds of our cotton. The influence on prices of this shipment of surplus abroad is evident. Without

it the farmer would find a glutted market far more dubious than it has been during the past few months.

In the pre-war period exportation was a simple matter of shipment and sale, foreign buyers taking all we could spare from our granaries. During the war governments financed the shipments, and while our troops were abroad much of the overseas movement was for their sustenance.

Now has arisen a new condition. Europe is hungry, but it is in a most unsatisfactory financial position. It desires our surplus products, but cannot assure prompt payment, at least on terms that warrant American exporters to send overseas commodities in which they must invest large sums. To carry on the exportation, they demand some assurance that the bill will be paid, that it can be collected in an emergency. Back of them are the producers who have demanded of Congress an agricultural program, part of which has been the establishment of governmental facilities for aid in disposing of surplus products.

It is axiomatic that the more perfect the machinery for transferring a commodity from the producer to the consumer, the better price will the producer receive. A breakdown of this machinery works against his interest and brings depression to the consuming market. For the time being, this machinery is badly in disrepair owing to the inability of the foreign consumer to pay on delivery for farm products he direly needs.

A concrete instance might be the position of a county in Nebraska that raised no potatoes and whose financial situation was so unsettled as to make it impossible for any of its merchants to buy outright the supply needed. Over in Illinois might be a plentiful crop with abundance to send to outside markets. The Nebraskans, though unable to buy outright, would be able to dispose of a cargo of potatoes were arrangements made by Chicago banks, for instance, for three months' or six months' credit. Could there be arranged some form of accommodation by which Illinois producers were assured of eventual meeting of the obligation, a trainload of potatoes might be secured. In the six months period the shipment might be sold out, a few bushels here, and a few there, until in the end enough funds would be gathered to meet the payment when due. The Illinois potato-raisers would have their money, the Nebraskans their food—all through the erection of financial machinery

for establishing the credit temporarily of a county that was poor in present resources.

This, roughly speaking, is the relative condition of the foreign buyer of our farm products and the American producer. What is needed, say students of the situation, is a governmental agency that shall establish credit for the impoverished foreign markets. They point out that to-day it is difficult for the shipper of wheat from the interior to be certain that he will receive payment for a cargo of flour or wheat when it is sent to central Europe. But if such assurance be firmly based, flour might be sent with confidence from Kansas City to Germany, Spain, Italy, Greece, Egypt, or elsewhere abroad. Three or six months might be given for its distribution. In that period from small buyers might be gathered the sums needed to meet the cost of the shipment. Thus would be regained the foreign market which is so important to American agriculture.

Financing Exports with Government Aid

This demand has concentrated on extending the functions of the War Finance Corporation to include the flotation of securities that represent the production of the American farm. During its existence the operations of the board have been limited to commercial business, and it has not entirely fulfilled the expectations of its early promoters. This, it is claimed, is because it has not been allowed to broaden its field to include the raw materials from the farm. Ordinarily this financing is done by private investors, but in the uncertain condition of foreign politics and business it is not strange that there should be timidity.

Even the country banks of the agricultural States, which might be supposed to be directly interested, have shown little desire to enter this field. An Iowa banker was asked if he had subscribed to the capital of a hundred-million-dollar corporation proposed by the bankers of the country to carry on this work. "No," he replied. "It is not our function. It is a valid task for the Government and it should undertake it. It cannot lose; we might win or might not—it is too much of a gamble without Uncle Sam behind it in these unsettled times abroad."

Much as the public, especially in the agricultural States, is interested in maintaining this foreign trade, no method seems visible for inducing the private capitalist to take what are admitted to be long chances. Export trade is always on a narrow margin;

uncertain credit is not attractive to capital. But it is an entirely proper function for the Government to lend its aid, particularly at this time when, because of the farmers' financial plight, all business is feeling a depression. Hence the agricultural "bloc" in Congress—Senators and Representatives from the farming States—has stressed the need of relief for the producer.

The movement of wheat, meats, cotton, etc., to foreign markets from the primary production areas can be conducted only by a sound basis of credit. The pre-war years saw flour, for instance, going abroad with the shipper credited promptly with its value on arrival either at seaboard or at least overseas. The draft with bill of lading was accepted by the consignee and paid by a bank. In the after-war period this has been possible only in a few countries, and cash at our seaboard has been required. The United Kingdom, Denmark, Netherlands, Norway, and Sweden have been able to make arrangements on this side; southern Europe, except Greece and to some extent France and Italy, has been with weakened resources.

How Farm Exports Have Increased

How extensive has become the foreign demand is seen in the record of recent years' exports of farm products, as given by the Bureau of Foreign and Domestic Commerce. Following are the five-year average and the 1920 and 1921 figures for the fiscal years ending June 30 (in thousands):

Article	Unit	1910-14	1920	1921
Grains				
Wheat*	Bu.	103,413	216,713	363,737
Barley	Bu.	7,896	26,571	20,457
Corn	Bu.	39,810	14,468	66,911
Oats	Bu.	8,304	33,945	4,302
Rice	Lbs.	18,489	483,385	440,855
Rye	Bu.	855	37,463	45,735
Cotton†	500 lb. bales	8,840	7,087	5,623
Beef Products				
Beef, canned		9,392	31,134	10,785
Beef, fresh	Lbs.	29,452	153,561	21,084
Beef, pickled and other cured	Lbs.	32,810	32,384	23,313
Oleo oil	Lbs.	113,758	74,529	106,415
Hog Products				
Bacon	Lbs.	182,474	803,667	489,298
Hams and shoulders, cured	Lbs.	166,813	275,456	172,012
Lard	Lbs.	474,355	587,225	746,157
Neutral lard	Lbs.	43,572	23,202	22,544
Pork, canned, fresh and pickled	Lbs.	54,526	72,130	91,448
Lard compounds and other lard substitutes	Lbs.	67,319	44,196	42,156

* Including wheat flour reduced to wheat equivalent.

† Including linters.

‡ Four-year average 1911-14.

One of the leading milling corporations of the Middle West has had a representative in Europe for eight months studying the situation as to credits. He reports that there, as here, are vast numbers of war-rich individuals. But companies and corporations, taxed heavily and bearing the burdens of depreciated currencies, are in no position to meet the conditions under which shipments of flour might be made. He points out that governmental agencies alone can insure to the American shipper of grain or meats, or manufactured products of either, the prompt payment necessary to the successful conduct of business. As a result, with the exception of the countries where credit is soundest, shipments have been limited and exports have been curtailed. Germany, it is supposed, is obtaining American flour and wheat from Holland, as that country is taking an exceptional amount of these products, far more than it requires for its own people.

In the unsettled state of foreign business the argument of the country banker that there should be Government backing for credits is valid. It was reported last spring that \$50,000,000 was represented in American goods on the wharfs of South American cities for which the shippers could not obtain settlement. Foreign export trade is on a small margin of profit, and to be desirable it must have prompt adjustment. The Government by its various agencies abroad is in a position to enforce settlement more fully than is an individual or company. This

argument is one of the bases for the demand that the United States back the movement of our farm products and thus insure a permanent and reliable export business.

Nor is it an unexampled step. Britain has appropriated \$100,000,000 as a guaranty of export credits, up to 85 per cent. of sale values, as a means toward encouraging trade activity. Germany for years before the war financed the operations of its industries under certain conditions. The United States with its commanding financial position must give definite support to the credit situation, if it is to dispose of

its surplus products of farm and range.

Under the War Finance Corporation, though the rules have not yet been fully formulated, it is expected that the exporter of wheat or flour, for example, will receive his payment when the cargo is aboard ship. The Corporation, through its foreign connections, will deliver the cargo, arrange to extend credit for a time, and eventually be repaid out of the returns made by the foreign buyer. The Government will have performed a great service without actual expense.

When also, in connection with this, is carried on domestic credit extension, agricultural interests will have had material encouragement. Executive committees being formed in agricultural and stock-raising sections of the West and South will attend to preliminary details of applications. For such assistance ten or fifteen committees are being formed now and others will be added as the business warrants.

The Corporation's policy for financing such advances has not been decided, but it is believed that little of the \$400,000,000 balance with the Treasury will be used for agricultural credits. Demands may be made on the Treasury to make the first loans, but as soon as the volume of needed credits can be gauged, it is believed the Corporation will begin issuing its own bonds.

Current operations of the Corporation in financing exports are being carried on almost exclusively out of a revolving fund automatically established by the repayments being made on the approximately \$100,000,000 in advances now outstanding.

Permanent, Rather Than Immediate, Advantage

Too much must not be expected from the Corporation's activities for the present crop season. On September 1, 70 million bushels of this country's wheat, practically one-third the exportable supply, had been exported in the two months since beginning of harvest, a rate of 420 million bushels annually, an exceptional situation. The September estimate of the 1921 wheat crop is 754 million bushels, compared with 787 million bushels last year and an average for 1915-1919 of 831 million bushels. Hence, with the exportations already made, it is evident that we shall not be able to extend greatly our delivery to foreign buyers.

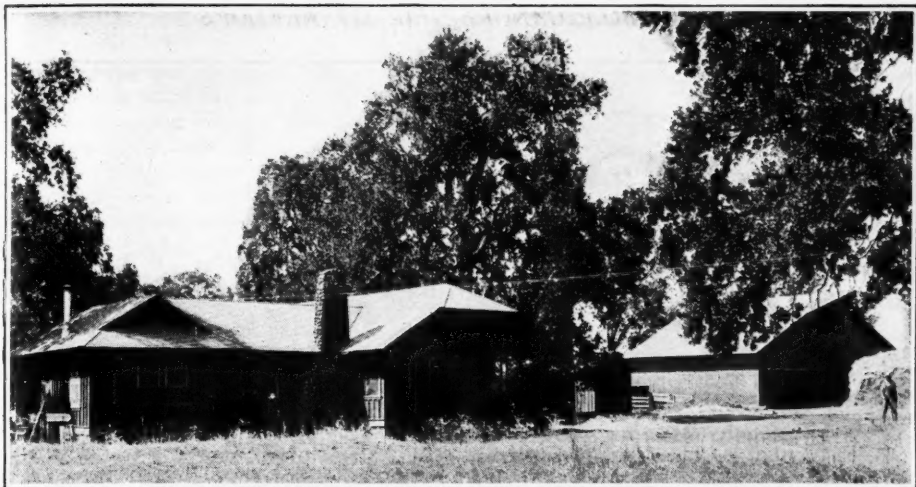
But the future is to be considered. Not only wheat, but other farm products are to be in demand from all Europe permanently. Government support of credits abroad will be needed indefinitely. Indeed, it seems desirable that this become a settled policy of the United States to the end that our producers may have the widest possible market for their output.

Every such facility adds directly to the farmer's income. When early in September the rail transportation on grain products from the interior to seaboard was reduced seven cents per hundred pounds, the price at primary immediately felt the effect. The farmer was the beneficiary.

Not alone the farmer, but every interest dependent wholly or in part on agriculture is affected by benefits that may come through a world market. Indeed, close observers of recent affairs declare that part of the agricultural depression which has so seriously hampered business in the past year is due, at least in part, to the failure of American banking interests adequately to finance the exportation of farm products. Thrown back upon the American market alone, there was lessened demand and a rapid decline in the price-level of farm commodities.

The rehabilitation of American farm interests is unquestionably of prime importance. Experiencing, as did the producers of grain, cotton and meats, the first decline in prices for their output, they have been—and to a degree yet continue—resentful toward the mere deliberate reduction in prices of commodities they must buy. Realization that the Government has undertaken a broad policy of assistance, framed particularly for the furtherance of their financial betterment, should have a helpful psychological influence.

More than that, if the purposes for which the new plan has been created are fulfilled, as it seems logically they should be, it will mean a direct permanent advantage to every farmer and stockman in the nation. The coming year should determine its usefulness, and with successful operation the financing of foreign credits will doubtless become a settled procedure. Such accomplishment will add materially to the soundness of our position as a world power and give to our producers a world market, and incomes definitely based on world demands.



A SETTLER'S HOME AND FARM BUILDINGS AT DURHAM, CALIFORNIA

(Three years ago the State of California established at Durham, in Butte County, an experimental farm colony, opening irrigated land for settlement and development on liberal terms. The results were so satisfactory, from the standpoint of the well-being of the whole State, that a second colony has been established at Delhi, in Merced County)

CALIFORNIA'S FARM COLONIES

IT was in our issue for the month of March, 1919, that there appeared a notable article by Dr. Elwood Mead, chairman of the California Land Settlement Board, which gave an account of an experiment that had been undertaken officially by the State in the field of rural development. Dr. Mead is a distinguished engineer, who has enjoyed a wider experience in dealing with the problems of land, irrigation, and the upbuilding of rural industry in our mountain States and the farther West than any other man. In Australia, also, he was for some years occupied as an official expert in projects for land improvement and settlement, and for the shaping of a new type of rural community.

A few years ago California was wise enough to recognize the fact that the future well-being of the State called for the settlement of land upon the basis of the associated group or neighborhood, and not merely the location of the isolated, independent farmer.

Our national reclamation service, with its great engineering feats by means of which a number of areas were irrigated and opened to settlement by individuals making instalment payments over a period of years, had been founded upon principles which were sound and valuable as far as they went. This policy started with the idea that the settlement of the country was a subject for statesmanship. The arable lands, under the old homestead

system, had practically all disappeared from the map of the diminishing public domain. But there remained great areas of public lands which if irrigated would support flourishing agricultural communities. It was proposed to build the irrigating works in advance as national enterprises, then to assess the cost of such undertakings upon the land that was benefited, and to arrange a scheme of yearly payments over a fairly long term, so that the settler would in due time repay the Government for its investment and become the full owner of his irrigated tract.

There were some mistakes in the execution of what upon the whole was a statesmanlike conception. And, although this policy will in the end be pronounced a far-reaching and substantially successful example of wise legislation, it would have been more fruitful of results if it had been better worked out on the human and social side. The weakness of the policy lay chiefly in its failure to provide for the careful selection of settlers, and their crystallization into organic communities, through what may be called the science of rural planning.

In the State of California, as in many other States, there are great tracts of land awaiting intensive cultivation. A generation ago many of the States west of the Mississippi River were supporting immigration bureaus and agencies and carrying on adver-



A SETTLER'S HOME AT DELHI, THE SECOND FARM COLONY ESTABLISHED BY THE STATE OF CALIFORNIA

(It is necessary, under the Land Settlement Board's present rules, for the settler to have \$2500, and the State will lend him \$3000. The settler is thus enabled to purchase and develop a 40-acre farm, with yearly payments over a fairly long term. The State of California, when creating this Delhi colony, appropriated \$1,000,000 for loans to settlers)

tising and propaganda campaigns, not only in the older Eastern States, but throughout Western Europe. These efforts for securing the growth of population were, naturally enough, aided by the railroad companies and the steamship lines. Many of the Western railroads held large tracts of unsettled lands which they were anxious to sell to land-seekers at a very small price per acre, and which were ordinarily disposed of in quarter sections, i. e., 160-acre tracts. But that period has written its chapter in the history of our nation-making, and the large Western movement of land seekers came to an end more than twenty years ago.

Yet there are discerning minds that now grasp the idea that there may be a wholly new kind of westward movement of land seekers, and this upon a scale of increasing and considerable magnitude. It would be unfortunate to have this new stream other than a very small one, until the new methods of settlement are not only well understood by experts, but are also accepted in the Western States as worthy of confident public support. The new kind of settlement recognizes the fact that while the individual farmer will continue to migrate and to buy and sell land as seems to him best there is another type of citizen or family that could not wisely attempt farming or land ownership except as a member of a neighborhood group which, while not communistic or socialistic in any bolshevik sense, is coöperative in many of its activities (especially those having to do with buying and selling) as well as in its educational and social life.

The experts now recognize the fact that the States have the proper qualifications for

managing this new kind of rural development. First, the State governments readily command the requisite financial credit. Second, State sovereignty pertains especially to the landed domain of the commonwealth, and State authority is particularly competent to select and acquire the land needed for a farm colony. Third, the States, through their agricultural departments, and especially through their colleges of agriculture, have at hand precisely the right men and women to launch these new farm communities, protecting them against mistakes and giving practical application to the policy that the legislature of the State may have adopted.

It does not follow, however, that all agricultural colonies of the new type must be State enterprises in the full sense. Thus the colony described in our August number as locating on a tract of irrigated land in Idaho, while greatly aided by the Governor of that State and by the experts of the agricultural college and other officials, is being financed by a large irrigation and land company under the personal direction of Mr. Meredith, former Secretary of Agriculture. In that Idaho colony, led from Brooklyn by Mr. Scott, the advance guard of which made a picturesque migration by automobile caravan across the country during the summer (reaching their destination early in September) most of the essential principles of the California plan were recognized. These principles require that there should be advance preparation made for a suitable number of families upon a well selected tract of several thousand acres. It is seen that advance preparation, which the settler sub-

sequently pays for on the instalment plan, is far better than the individual struggle with wilderness conditions that settlers could not well make for themselves, and that in any case would retard their progress for a number of years.

The article in our August number on the Idaho experiment brought a letter from Dr. Elwood Mead, which, with other communications from him, will help our readers the better to understand the progress that California is making in this new kind of land settlement. The letter is addressed to the editor of this REVIEW and reads as follows:

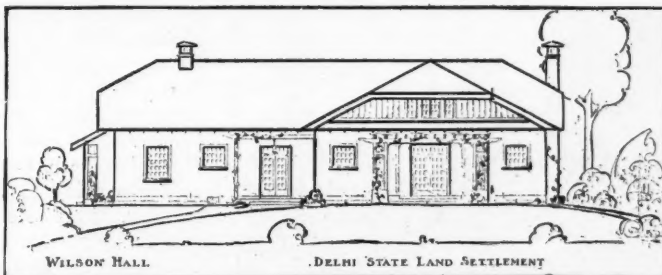
UNIVERSITY OF CALIFORNIA
COLLEGE OF AGRICULTURE

BERKELEY, August 2, 1921.

DEAR DR. SHAW:

Your statement of things needed to create proper human relations in country neighborhoods in the August REVIEW OF REVIEWS is the best I have read. You have condensed in a few paragraphs, the fundamental needs of rural civilization. We are taking the liberty of quoting a portion of this in a letter sent to every newspaper in California, asking them to call attention to the two weeks' Short Courses to be given at the University of California. Notices of these courses are enclosed.

Nothing could be more gratifying than the changed attitude of the California land owner. During the last two months more than a score of owners have offered tracts varying from 4,000 to 50,000 acres to be turned over to the Board as a trustee without any cash payment. Some are



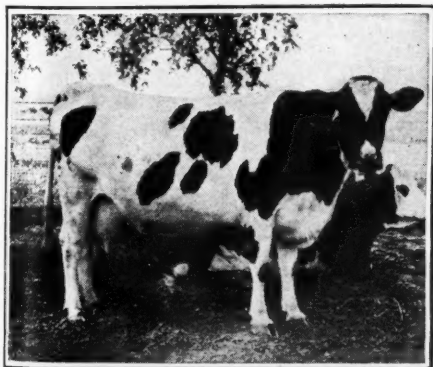
THE \$10,000 COMMUNITY HALL NOW BEING BUILT BY THE SETTLERS AT DELHI

willing to advance money necessary to carry out all the conditions of the State Land Settlement Act. All are willing to give the 36½ years' time that the State now gives and wait for their money until the settler pays it. The Board believes that if men of large capital would organize to coördinate these landed interests, dealing with one community at a time, organizing it to function as the Durham and Delhi State settlements now do, we can bring back to rural life the kind of human beings that ought to occupy the land.

I was in one of the finest country districts of California last week. It has a fine county library. There is skilful and intensive cultivation of the soil. I asked where these people came from. They said quite largely from the province of Ontario, in Canada, and from the Middle West. The best rural communities that I can recall have been drawn together from widely separated portions of our own country, with a sprinkling of people from northwestern Europe. Those are the people that we want to draw to California. They will assimilate. The Caucasian, Servian, Portuguese, Armenian, and Italian are slower because of their racial traits and prejudices. We hope to create communities like those at Greeley, Colorado, Anaheim and Ontario, California, and Yakima, Washington. That is, communities that have behind them the spirit of the New England town meeting, and an interest in things that minister to the higher life, as well as to industry and thrift.

The last State legislature made land settlement one of the permanent activities of the State government. It is now one of the divisions of the Board of Public Works which includes roads, irrigation, water rights, and public buildings. This means, it is no longer an experiment but a permanent State activity. I believe its value will depend largely on its educational influence. We are working out in these settlements some of the practical methods of coöperation, and finding out by experience what an organized community needs.

An example of this is the cold storage plant at Durham. The settlers have established a reputation for milk of a superior quality. Restaurants one hundred miles away from Durham carry the sign "WE USE DURHAM MILK." To maintain their standard, they had to have a chilling plant. If they could combine with that chilling plant a cold storage plant, in which each settler would have a box, it would be possible to slaughter a sheep and keep the part not used until it was needed. Inquiry showed that it cost as much for a quarter of a lamb at the local butcher shop as the butcher would pay the settler



A PURE-BRED HOLSTEIN COW AT DURHAM

(Animals such as this one have made Durham a milk center in the Sacramento Valley. It is not necessary for the individual settler to purchase his cows hit-or-miss; the State Land Settlement Board offers expert service of this kind to the entire colony)



PEACH TREES ON A FARM LABORER'S ALLOTMENT
(A Durham scene—planted in 1919)

for the whole sheep. The economy of the arrangement is undoubted. The settlers' association could not borrow the money from a commercial bank, but our board has loaned it 60 per cent. of the cost and it is nearing completion.

At Delhi the settlers are building a \$10,000 community hall. They had to have it. There was no other meeting place large enough, no means of their becoming a social unit without it. Half of the cost has been given outright by Mr. E. M. Wilson, and the other half is loaned to the settlers. All that the Board has done was to put them in touch with the altruism of the State. The United States Department of Agriculture has detailed an expert to help the Delhi settlers buy their dairy herds, and arrange their crop rotation so as to grow the things that will furnish a balanced ration for the cows; and next year we believe Delhi will be a milk center in the San Joaquin Valley, as Durham is now in the Sacramento Valley.

Sincerely yours,
ELWOOD MEAD.

The Durham settlement in California is near Chico in Butte County, in the northern part of the State, and it now has been in operation three years, the legislature having made an appropriation for it of \$250,000 in 1917. The beginnings at Durham were so satisfactory that the State two years later appropriated a million dollars for the new colony at Delhi in Merced County, which already flourishes, though only a year old. Our illustrations show some of the accomplishments of this initial year at Delhi, and the progress of three years at Durham.

A recent letter from Dr. Mead describes the new Community Hall at Delhi and mentions the "coöperation and friendly support of the old-timers who live on the surround-

ing farms." An experienced farmer of the vicinity who was one of the judges called in to pass upon the best farm and the best laborer's allotment testifies that land which formerly was not farmed, and which "consisted chiefly of unsightly sand-blown fields has been brought under control and is commencing to blossom in a remarkable manner." He refers to a wonderful growth of alfalfa, not merely on one or two farms, but on all the farms throughout the colony.

There were held at the University of California last month certain short courses on land settlement, conducted by specialists of experience, and covering all the practical problems having to do with the colonization and development of rural California. Referring to the meetings at the University, Dr. Mead writes that large landowners are already converts to the State settlement methods and policies, and that the movement is steadily advancing with new legislation planned, which is to be based upon an investigation of the policies of other countries.

At the University Conference the opening address was given by Dr. Mead himself, and no more convincing array of facts and figures has ever been presented on this subject than was contained in this remarkable statement of last month. Dr. Mead's discussion is the more interesting because of its concrete references to the present status of land development in California. We are there-



A FIELD OF SWEET POTATOES IN THE SETTLEMENT
AT DELHI

(Fields such as this were unsightly sand-blown wastes two years ago. Through State aid to settlers they have in a single season become productive and valuable)

fore giving our readers the benefit of extensive quotations from the address in the paragraphs which follow herewith.

Whether they realize it or not, every citizen of the State is interested in rural development and in the creation of a land settlement policy which will broaden opportunities for land ownership. The State needs more farmers. Great areas now growing grain ought to be in orchards and alfalfa. The success of irrigation enterprises in which millions of dollars are invested depends on the transformation which can only be brought about through closer settlement. On the other hand, tens of thousands of people in the eastern part of this country long to come here. This State is to them the land of opportunity. Its rural life, with the absence of any dead season in the year, has an allurements that only those who have gone through months of cold and snow can understand. Our task is to work out a plan which will satisfy our needs and their desires.

The last report of the State Water Commission shows that the State has 68 irrigation districts created under the Wright Act. Of these, 25 have been organized during the past three years. Hundreds of thousands of dollars have been spent in surveys and in the employment of experts in order that the reservoirs and canals which are to water these districts should fulfil their purpose. Everyone realizes that this preliminary study and organization had to precede construction; that the whole undertaking had to be thought out to its finish before the first shovel of earth was turned. It was not always this way



A FARM LABORER'S HOME AT DURHAM, CALIFORNIA

(This particular two-acre allotment was developed by a man who had passed his sixtieth year. He borrowed the twenty dollars necessary to make the first payment, built the house, and cleared and planted the ground. The peach trees at the left in the picture above are only two years old)

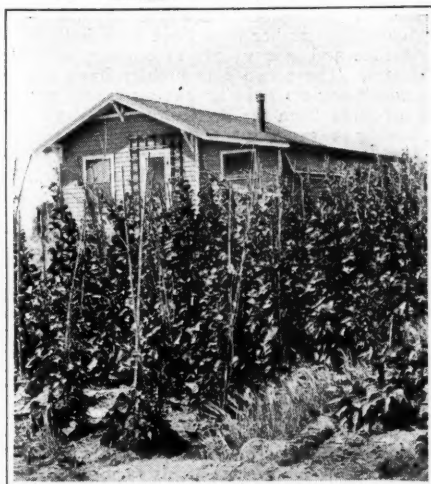
and the result was, immense sums of money were wasted. Now the State exercises a supervision and will not permit bonds to be issued or sold until the feasibility of each project has been established.

Relation of Closer Settlement to the Success of Irrigation

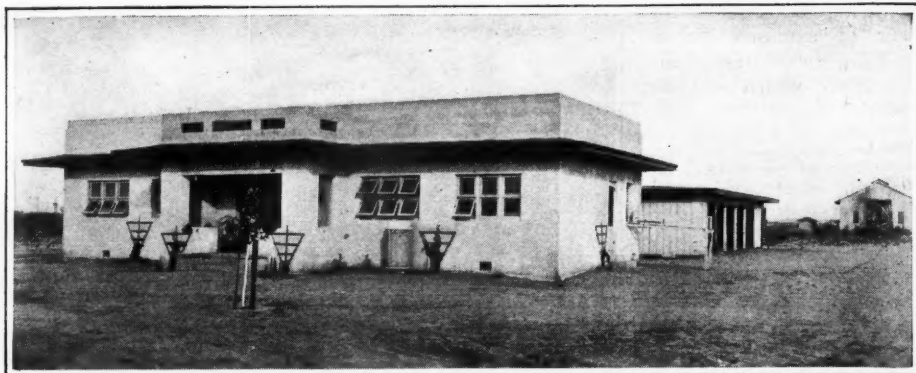
Other countries long ago learned, and we are beginning to learn, that building canals and reservoirs is not the whole of irrigation development. In fact, it is only the beginning. An irrigation canal is a liability until the water is used, because the money to pay water charges has to come out of the land. In the end, the farmer has to foot the bills, but before he can do so an immense amount of money has to be spent in making land ready for irrigation. In the past we have made the mistake of assuming that the only financing needed was to raise the money to build the irrigation works. How the much greater sum of money needed to build houses, grade land for irrigation, and buy equipment was to be provided, was either not considered, or left to be solved by the land owner or the unhappy victim of the speculative colonizer. We are going to change this in the future. Not alone in California, but everywhere. Durham and Delhi and the colonies in the cutover lands of Wisconsin are showing how it can be done.

Land settlement is the most important factor in irrigation development. The payment of interest on bonds, the value of land, the returns from cultivation, and the contentment of the people depend more on the manner in which the irrigated area is subdivided and how the people who own it are settled upon it, than on all other influences combined. I will illustrate this by conditions in one undeveloped district, Madera, and by one of the oldest and best managed, Turlock.

There are 350,000 acres in the Madera district; over 200,000 are held in large tracts, running from 600 to 60,000 acres. Practically none of this is ready for the irrigator who will be needed as soon as the water is ready because interest will have to be paid on the \$28,000,000, which it is estimated the works will cost. That cannot be done out of the income from grain farms.



A FARM LABORER'S HOUSE AND GARDEN IN THE SETTLEMENT AT DELHI



THE OFFICE OF THE STATE LAND SETTLEMENT BOARD, AT DELHI, CALIFORNIA

Before the water can be used, the surface of the land must be prepared for its even distribution. That will cost not less than \$50 an acre or about \$15,000,000 for the district. Where is that money to come from? The land owners, acting as individuals, cannot raise it. Furthermore, preparing the land for irrigation is only the first step. Present owners cannot cultivate their great holdings. They have neither the labor nor equipment. Besides, only the small farm pays. Subdivision and settlement must follow closely on the heels of irrigation construction and now is the time to make the plans for this.

Thus far, we have only dealt with development needs, but when the plans for the new people and new life of this district are made, let us go farther and include the things that will add to comfort and beauty. Let us look ahead and consider what kind of people the State needs on this great domain to make it a source of social and political strength in future years; what can be done to bring to full fruition the great resources and attractions of this domain. On it there will be homes for more than 10,000 families, not counting the people of its cities and towns. There ought to be one- and two-acre gardens for farm laborers. There ought to be community centers. The farm laborers' homes and the community park at Durham are contributions to rural democracy whose value has been recognized in every part of this country. Every community in Madera will want them. There will be ten- to eighty-acre tracts for farmers. The best engineering talent in this State has been employed to design the irrigation structures. Why not give these settlers the benefit of educated taste and experience in designing the 10,000 houses that will be needed on these farms and to advise in laying out the orchards, gardens, and fields?

The whole world goes to England to study and admire the country planning at Letchworth. We can, if we only will it, create something here infinitely finer and larger because nature gives us so much more to work with. More than that, we can do it at less cost than by leaving settlers to straggle in and struggle alone. To build these 10,000 houses and the other farm buildings, buy the livestock, implements, trees, and vines needed will cost at least \$150 an acre or \$45,000,000 for the district.

The settlers who buy this land will bring a large part of this money and the more we do to

make this a district with comfort and beauty in its homes, the better the type of settlers seeking entrance and the more money they will bring. If the settlers have an average capital of \$5000, it will be a total of \$50,000,000. The average assets of the Durham settler were \$6000. What we are considering now is not where the money is to come from for this part of the scheme but the working out of plans to make it give the largest results in the shortest time.

Subdivision and Settlement of Irrigable Areas

We know that it would be impossible for each land owner to build his own irrigation works, and so a district is created to do this for all. Now we need to consider what we could accomplish by organizing to build 10,000 houses, lay out 10,000 farms, and help 10,000 new families buy livestock and equipment. This is nothing new or untried. It is being done elsewhere at a saving from one-fourth to one-half of the cost and with tremendous gains in other directions.

I am aware that this seems revolutionary, but the time has come for blazing new trails. Durham and Delhi have shown what saving can be effected in having one committee buy the cows for 100 settlers rather than have each individual spend time and money only to compete with his neighbors. These two communities have shown how much settlers gain by having expert advice and direction from the Agricultural College and by having a superintendent like Mr. Kreutzer or Mr. Packard planted in their midst. Thousands of letters come from people all over this country and from other countries asking when the next settlement will be started. They show how attractive they are to people who want to get homes on the land.

A policy of this kind will require State action. It cannot be carried out by the individual land owner, but it ought to have his cooperation. What is urged is that we begin now to study this as a State problem and have our plans made when the next legislature meets. We want to know how the colonization associations of Germany secured their wonderful results between 1906 and 1914. We want to know how the land mortgage banks help the Danish farm buyer borrow money up to 90 per cent. of the cost of his farm plan. We want to know what Australia has achieved by lending postal savings to settlers at $4\frac{1}{2}$ per cent. Why we lend those savings to banks at $2\frac{1}{2}$ per

cent. Then having all the facts, we can build a foundation broad enough to support all we have to undertake.

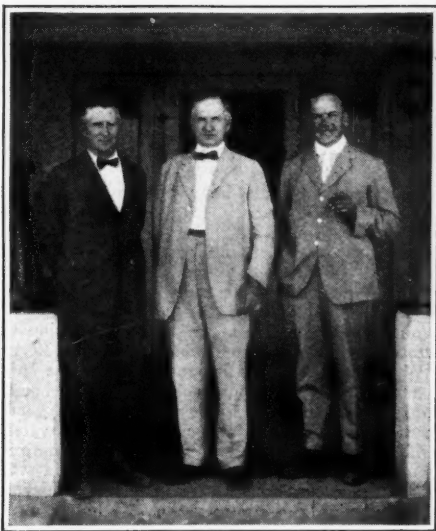
There is nothing experimental in a scheme for planning and financing a great area like the Madera district. It is new to us, but it is the established practice in Denmark and Germany. It regenerated Ireland. It saved France. It will take a century to show what it is doing to rescue Australia from the radical ideas and experiments. It is our way of escape from racial settlements, or a debased and dissatisfied tenantry. The plans for this should include:

1. A study of all the factors that affect health and production so that settlers can be assured of the first and guided in preparing for the second.
2. Provide for long-time payments on land and low interest rates.
3. Fix the minimum capital a settler should have. This ought to be a percentage of the cost of the improved farm.
4. Require actual residence for at least ten years. That will attract more and better settlers than it keeps out.
5. Aim at creating communities. These should have not less than 100 families; 500 to 1000 would be better. Provide each of these communities with an expert but practical adviser.
6. Help the settlers in each community to organize for coöperation in business and social affairs.
7. Provide some credit scheme under which approved settlers can borrow money to complete the development of their farms.
8. Select the settlers. Restrict these opportunities to citizens. Try to have everyone understand all the obstacles and risks and only accept those who seem qualified to succeed. Even then some will fail. . . .

The Great Areas Awaiting Settlement

Madera is not the only district in which land settlement is the key to success. Few, who have not studied the irrigation problems of the State, realize the tremendous area awaiting to be transformed. More than 3,000,000 acres of irrigable land are involved. More than 1,000,000 people can live in comfort on the farms which can be created. To the Madera district with its 350,000 acres, there are to be added the Merced with 200,000, Glenn-Colusa 103,000, Honcut-Yuba 50,000, Corcoran 48,000. Surveys and plans have been completed or are nearing completion for the irrigation of other large areas. The Iron Cañon project has 300,000 acres, Kern Delta 400,000, Klamath-Shasta 100,000, Mendota 87,000, Suisun 41,000, West San Joaquin 208,000, Yolo 50,000. The federal Government is preparing plans for irrigating 300,000 acres above the present Imperial Irrigation District. The new districts and proposed districts have a total area of 2,237,000 acres.

The need for settlers is not, however, restricted to new districts. Along many of the old canals there is urgent need for closer settlement. The Turlock District is an example. It is one of the oldest and most prosperous irrigation areas in the State. Settlement has been going on for thirty years, but in 1919 the State was able to buy 8700 acres, commanded by the Turlock canals, of which not a single acre was being irrigated or ever had been irrigated. Since then, the Land Settlement Board has been offered 4000 acres, 1200



DR. ELWOOD MEAD (CENTER), CHAIRMAN OF THE CALIFORNIA LAND SETTLEMENT BOARD

(With George C. Kreutzer [left], superintendent of the colony at Durham, and Walter E. Packard [right], superintendent of the colony at Delhi)

acres, and a score of tracts varying in size from 40 to 640 acres, all in the district and none of it irrigated. The water has been there, the irrigation charges have been paid, but the opportunity which irrigation gives has been wasted. Delay in bringing the land under intense culture has cost the State millions of dollars and Turlock is not a striking illustration of either delay or waste.

Think of what it would mean to California and to thousands of aspiring homeseckers if the lands of Miller & Lux, the Kern County Land Co., the Natomas and Sutter Basin Companies were settled in 20- and 40-acre farms. If there were a hundred colonies like Durham on these lands with the people working together in buying and selling, and interested in everything which builds up their social and economic life. Think what it will mean if these areas should not be developed or become the home of discordant racial colonies.

The Farm Buyer Needs Credit

The increasing cost of farms and their equipment makes a credit scheme for the farm buyer a necessity if we are to have a nation of farm owners. What Germany, France, and Denmark have done shows that it can be made good business. Let us consider some of the conditions which are forcing us to follow the same road.

In 1860 the average price of land in California was \$5.58 an acre. In 1910 it was \$51.95 an acre. In the next ten years, from 1910 to 1920, it jumped to \$104.67 an acre. This average includes land irrigated and unirrigated. The price of good irrigated land is far higher. Little can be had for less than \$200 an acre and from that the price goes to \$5000 an acre.

The cost of building irrigation works has risen in like measure. Thirty years ago, in the Rocky Mountain region, \$10 an acre was regarded as

a high price for a perpetual water right. Twenty-five dollars an acre was so regarded in California. No such figures can be quoted now. Water rights for the higher lands of the Imperial Valley will cost \$100 an acre. The average yearly cost of water in southern California is over \$20 an acre. Higher pumping lifts, costly storage works have been factors in this increase.

In the future we must know how much money a settler will need and either insist that he have it all or fix the part which he furnishes and help him borrow the remainder. Farmers without money and no means of borrowing it have caused the failure of more irrigation schemes than all other causes combined.

Four years ago I was one of a commission to investigate irrigation conditions on Green River in Wyoming. A costly irrigation enterprise was a total loss. Thousand-dollar district bonds could be bought for \$5, yet the land was good, the canals well built, and there was ample water. Failure was caused by lack of money to improve farms. The cash payment on a water right was \$1600. It cost about \$1600 to prepare a quarter section for irrigation. A log house and fences cost \$1200. Horses and farming implements cost about \$1000 and living expenses at least \$300. This was a total of \$5700. Not one homesteader in ten had \$500. When their money was gone they also had to go. On 60,000 acres only five farms were being irrigated. The whole enterprise was shipwrecked. There was no way to raise the \$5000 each homesteader needed to bring his land under cultivation.

The settler in Denmark must have 10 per cent. of the cost of the completed farm. The settler in Australia must have \$1500. At Durham he had to have \$1500. At Delhi \$2500. The Board believed a Durham farm could be developed with \$4500. It could lend a settler \$3000. He must have the remainder. Now the Board believes it needs more than \$4500 so it requires the settler to start with more. There has been some criticism of this. Men who do not know say a man with \$2500 does not need help. Let him try it on a 40-acre farm and see where he gets off.

It seems like a large sum of money, but studies by the Experiment Station of the University of Wisconsin showed that it takes from \$4000 to \$6000 to fix up a 40-acre dairy farm in the cut-

over lands of that section. A barn, house, and other small buildings to cost \$3000, fences \$300; horses and harness \$600; cows, pigs and chickens \$1200; implements and machinery from \$500 to \$1000.

If land seekers had money enough to finance themselves, development would be far easier than it is, but the experience of the Land Settlement Board, the studies at Wisconsin, and the increase in tenantry in the Middle West show that there are comparatively few farm buyers with money enough to pay cash for everything, and in California they usually buy improved farms. The man with capital usually comes to California to enjoy life. He does not want to do pioneer work on a 40-acre unit. The great bulk of inquiries which come to the Land Settlement Board do not give the writer's capital, but a majority of those who apply have less than \$2000. But the number with from \$3000 to \$5000 is large.

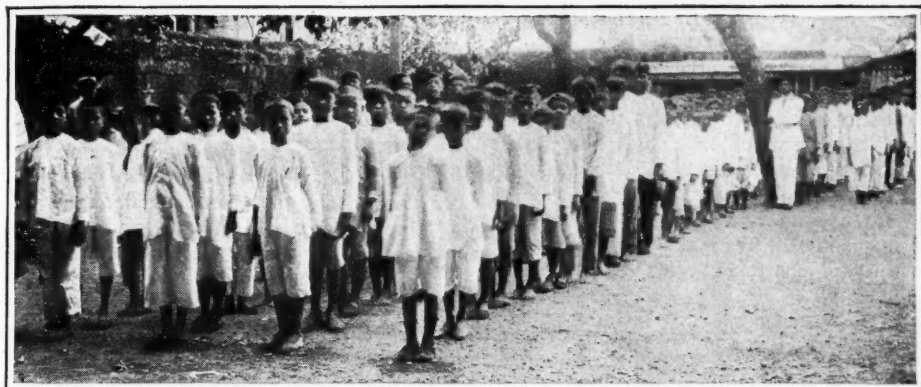
What we must work for is a colonization scheme that will take care of the family otherwise qualified who has from \$3000 to \$5000.

The reconstruction of rural life is a problem at once so fundamental in principle and so complicated in practice that its achievement is not a matter of a season or of a decade, but of a generation or a half-century. Nor will it come about by any single method. Nevertheless there are certain principles hitherto neglected which must have a foremost place in almost every method or plan. Among these are (1) the principle of neighborhood coöperation for the best results in producing and marketing; (2) the principle of financing agriculture and rural industry on long-term credit, under public encouragement; and (3) the use of scientific and expert aid in lifting rural life from the plane of peasant drudgery, or from the plane of the hardships of old-time pioneering, to the plane of modern life, with improved facilities in the home and on the farm, together with all the social advantages of a refined community life.

A. S.



A HERD OF TOGCENBERG GOATS ON A FARM IN THE COLONY AT DELHI



A SCENE IN THE YARD OF A FILIPINO SCHOOL—THE PUPILS READY TO MARCH INTO CLASSROOMS AFTER RECESS

EDUCATION AND THE FUTURE OF THE FILIPINOS

BY O. GARFIELD JONES

[This article follows a somewhat similar one in our September number, which dealt with educational progress in Porto Rico. Dr. Jones has made four visits to the Philippines to study political and social conditions there; and during one of those sojourns he was supervisor of schools in outlying provinces. He is now professor of political science at Toledo University.—THE EDITOR.]

EIGHT years of Democratic administration in the Philippine Islands have made it clear that our Philippine policy is, after all, an American policy and not a party affair at all. This fact has been certified to by the Filipino leader himself, Speaker Sergio Osmeña, who said recently that the Democratic policy had been "quite in accordance with doctrines and policies enunciated by Republican administrations which preceded it. It was, therefore, quite as much a Republican as a Democratic policy to have given us a gradually increasing autonomy."

In short, twenty years of administration have demonstrated to both the people of the United States and the people of the Philippine Islands that President William McKinley was the voice of the American people when he declared in 1900:

In all the forms of government and administrative provisions which they are authorized to prescribe, the [Philippine] Commission should bear in mind that the government which they are establishing is designed not for our satisfaction or for the expression of our theoretical views, but for the happiness, peace, and prosperity of the people of the Philippine Islands; and the measures adopted should be made to conform to their customs, their habits, and even their prejudices

to the fullest extent consistent with the accomplishment of the indispensable requisites of just and effective government.

As the first step to make this policy effective, President McKinley called Elihu Root to his cabinet for the express purpose of planning the government for our insular possessions. The results achieved have vindicated the judgment of our martyred president, and have proved the statesmanship of Secretary Root. The second step was the appointment of Judge William H. Taft, of Cincinnati, to head the commission sent to the Philippines in 1900 to establish civil government and work out the practical details which such an idealistic policy required for its complete realization.

In brief, this policy was one of education. We set out to teach the Filipinos to govern themselves. But even in an American school successful instruction has many prerequisites, such as a good building, sanitary and hygienic conditions, discipline among the students, education and ability on the part of the teacher, freedom from outside interference, etc. Consequently, the task of the First Philippine Civil Commission included the maintenance of order, the development of public works, the establishment of sanitary

conditions, and many other necessary conditions for "just and effective government." The main task, however, was the establishment of a system of public instruction that would provide the basis of general enlightenment without which democratic government is a farce, sanitary and hygienic conditions are impossible of realization, and economic prosperity is unattainable for the great mass of the people.

The First American Teachers

As a matter of fact, public schools were opened by the United States Army authorities before the Philippine Civil Commission reached the Islands. They found that a soldier detailed as teacher was often more effective in establishing peace and order than a regiment of soldiers detailed to suppress opposition and arrest recalcitrant Filipinos. These soldier-teachers were largely "freelance" instructors with no set curriculum, few if any texts, and frequently no school except a room in a house with no chairs, no table, and no blackboard. They taught chart-class English to people of a foreign tongue, and, not infrequently, the pupils ranged in age from six to thirty-six years. The pathetic feature of this situation was the ease with which the six, eight, or ten year old children got ahead of the adult students in learning the new language.

The Taft Commission took over the administration of the insular government from the army authorities on July 4, 1901, and as rapidly as possible established civil government in the provinces and municipalities. This same year some eight hundred American teachers were brought from the United States to take over the schools opened by the soldiers and to open new schools. Most of these teachers were sent to isolated posts among the seven hundred municipalities of the archipelago to teach chart-class and second-grade pupils and to open new schools under their own supervision just as soon as the second-grade adult pupils could be trained to teach a chart class in English.

During the next five years all chart classes, all second-grade classes, and practically all third-grade classes were turned over to these Filipino student-teachers. The number of schools was doubled and trebled. The school enrollment increased to four hundred thousand, and the American teachers became supervisors of primary schools or teachers in the intermediate schools that were being opened for the first time in most provinces.

Native Teachers Installed in Lower Grades

Thus Filipinization began in the Philippine Bureau of Education just as soon as the schools were opened. The policy of making first-grade teachers of Filipinos who had completed only the second grade has been severely criticized. It was argued by these critics that our first step should have been the opening of a normal school in each province to train the Filipino teachers for two or three years before opening the regular public schools. These critics would have been all the more certain of their contention had they visited one of these Filipino-taught classes in 1904 or 1905 and heard the instructor patiently and confidently teach his pupils to say, "See Juan run and hump (jump). He humps at home and he humps at school. See Juan run and hump."

However, when these criticisms have been given due consideration, the fact remains that no other policy was practicable at that time. Neither the American people nor the Filipino people would have permitted a delay of three years in opening the public schools while the demands of pedagogical theory were being fulfilled. It is idle to ignore public opinion when attempting to arrive at the best public policy.

Aside from the political phases of the situation, experience has proved that this policy of sending the first American teachers to isolated posts to teach primary classes, and to make teachers of Filipinos having only a second-grade education, was the best policy in the long run. Philippine educators believe to-day that the Islands' school system is more nearly perfected and better adapted to the needs of the people being educated than any other colonial system, perhaps better than any other school system organized as a complete national unit. The superior adaptability of the system is attributed to the fact that the American teachers sent to the Philippines were compelled to learn by direct contact with the Filipino mind and with geographic, climatic, and agricultural conditions just what modifications of texts, methods, ideas, and ideals were necessary to make the schools meet the needs of the Filipino people.

Any other method would have tended to make Americans of the Filipinos, which was not our purpose. Instead, the Philippine Bureau of Education has made Philippine Americans of the American teachers in order that they might be most effective in making

the best type of Filipino citizen out of the native children. The great service rendered by these Philippine Americans in adapting the school system to the needs of the Filipino people will appear in the succeeding paragraphs as the specialization of the school curricula is explained.

Establishing Municipal Government

Still another reason for sending these first American teachers into the uttermost parts of the archipelago in 1901 was the need of the Filipino municipal authorities for counsel and supervision. The greatest step yet made in Filipinizing the government was made by Governor Taft when he gave the Filipinos control of their own municipal affairs. The Philippine municipality, like the Roman *municipio* of old, is the fundamental political unit of the country. Territorially it corresponds to our counties, but its political organization is like our cities having the mayor and council plan of government.

When Governor Taft first established the civil government in 1901, he gave the Filipinos a large measure of autonomy in local government and permitted them to elect their



ENCOURAGING NATIVE MUSICAL TALENT

(These Igorot girls in a mountain province bought their instruments with money earned by weaving while going to school)

own municipal officials by popular vote. Since they were unaccustomed to popular elections, and since the small measure of local autonomy of the Spanish regime was exercised very largely by the Spanish priests of the respective towns, the Filipinos were quite unprepared for this grant of democratic local self-government in 1901. In consequence, it became the duty of these first American teachers to instruct the people in the use of the franchise, supervise elections, assist the local officials in the performance of their duties when called upon to do so, serve as local health officers (especially when small-pox and Asiatic cholera were raging as they did in 1903 and 1904), and in every way be a demonstration of the good intentions of the United States toward the Filipino people.

English the Common Language

English was the language of instruction in the beginning, because it was the only language in which the American teachers could instruct. Certain Spanish textbooks were secured and used for awhile, but it was soon ascertained that not more than one-tenth of the Filipinos knew Spanish. Since there was no one native dialect used by more than 20 per cent. of the population, and since many of the Filipino leaders desired that English be made the language of



AN AMERICAN TEACHER AND HER IGOROT PUPILS

(Under the initiative and direction of American authorities, these Filipino children advance from semi-savagery to civilization within the period of school life—one of the educational marvels of all time)



A ONE-ROOM SCHOOL BUILDING OF STANDARD TYPE
IN THE PHILIPPINES
(Accommodating sixty pupils)

instruction, it became obvious that the best solution of the textbook problem was to adopt English as the future common language of the archipelago. This decision was influenced by the fact that English is the commercial language of the Far East, and also is the language which makes available to the Filipinos more of the world's literature than any other. To-day English is the only language spoken in the primary and intermediate grades, whether the schools are for the Christian Filipinos of the lowlands, for the pagan Igorrotes of the mountains, or for the Mohammedan Moros of Mindanao and Sulu.

The aim of this school system was to provide a minimum of education for every Filipino, just as we in America aim to give every child a common-school education. But since we fall 50 per cent. short of this ideal in America, it was obviously unwise to plan an eight-year "common school" course for the Filipinos. A three-year course was finally decided upon as the minimum which every Filipino must have if the Filipino people were to attain democratic self-government. By 1908 school attendance had so increased, and the curriculum of the three-year primary course had become so crowded with "essential studies,"

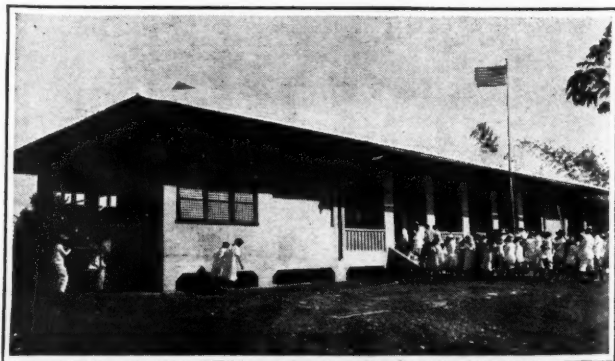
that the "common school" course was increased to four years. A certificate of graduation was given to the students who satisfactorily completed these four years of study. This certificate entitled them to enter any intermediate school in the archipelago.

'800,000 Primary School Children

In September, 1919, there were 300,277 pupils enrolled in the first grade, 141,094 in the second, 101,780 in the third, and 69,352 in the fourth—a total of 612,503 pupils. During the school year of 1920-21 this total increased to some 800,000. Since the total school population in the archipelago is not more than 1,300,000, it can be seen that the Filipinos are rapidly approaching the ideal of universal education.

The curriculum of this four-year primary course is similar to that of the first four grades in American schools. The content of the academic subjects is more practical, however. For instance, the study of plant life is directly connected with the school and home gardening. During the school year 1918-'19 there were 4385 school gardens in the Philippines, and 120,975 home gardens cultivated under school supervision. The school gardening course was taken by 114,206 boys, and 24,371 pupils were members of agricultural clubs. Four thousand hogs were owned by members of these clubs, and 36,000 fruit trees were cared for by them. The work of the agricultural clubs centers around six contests—10,309 pupils entered the gardening contest, 2513 the hog-raising contest, 7530 the poultry-raising contest, 1746 the fruit-growing contest, 1557 the corn-growing contest, and 696 the cooking contest.

Manual training and arithmetic are



A PRIMARY SCHOOL IN RIZAL PROVINCE, COMPLETED IN 1915
(In such schools the Filipino child receives a four-year course).

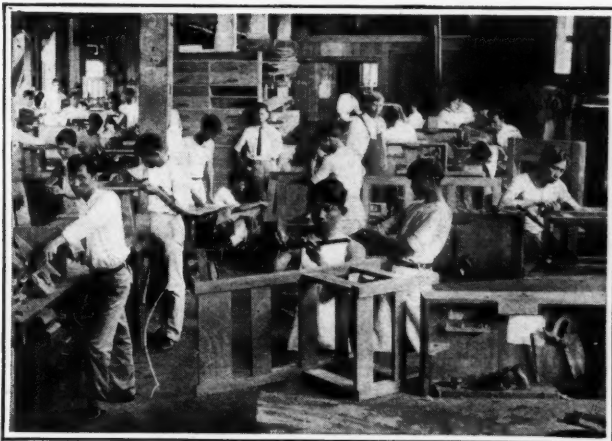
directly connected with the instruction in practical mat-, basket-, and hat-weaving, lace-making and embroidery, and carpentry. Mats serve both as chair and bed for the peasant Filipinos; consequently, this mat-weaving, while simple, is eminently practical. As the result of fifteen years of public school training in lace-making and embroidery, the export of Philippine lace and lingerie rose from only a few thousand dollars a year prior to 1910, to almost four million dollars in 1919.

In the fourth grade, cooking is taught to the girls, while rattan, bamboo, or wood carpentry is taught to the boys. It is not presumed that the brief manual instruction given will make skilled artisans of these fourth-grade boys. The real vocational training is given in the specialized courses of the intermediate grades. The function of the four-year primary course is to provide each pupil with the minimum essentials for self-governing citizenship and for self-supporting workmanship.

Settlement Farm Schools

Not only has this primary course been adapted to the needs of the Filipinos as a whole; it has been specialized sectionally in its industrial and agricultural features. For instance, buri mat-weaving is taught where the buri palm is plentiful, while pandan mat-weaving is taught near the seacoast where the pandan grows. Mountain rice-growing is taught in the hill regions, while lowland rice-growing and irrigation methods are taught in the lowlands.

Still another type of specialization of this primary course to meet a special situation is the Settlement Farm School, 162 of which were in operation in 1919. This is a four-year primary school, with a dormitory, located on a school farm among the nomadic hill-people like the Bokidnons of northern Mindanao or the Tagbanuas of Palawan. The pupils spend half time on the farm and the remainder of the time in the classroom or on the playground. The parents of the pupils are induced to settle near the school, and the school farm helps to feed the entire



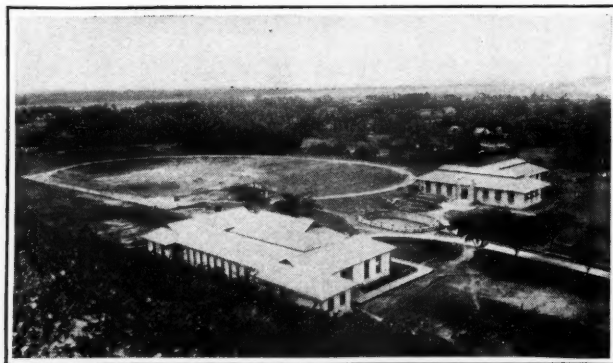
A SCENE IN THE CARPENTRY SHOP OF THE PHILIPPINE SCHOOL OF ARTS AND TRADES, AT MANILA

community. Thus the Settlement Farm School serves as the nucleus for a permanent settlement of these roving hill-folk, who have not as yet reached that stage of civilization characterized by settled agricultural life.

It has been estimated that about 50 per cent. of the roving hill-people of the Philippines have been induced to settle on permanent homesteads as a result of these schools. The development of this technique for civilizing savage peoples is no insignificant contribution to the progress of the world.

Vocational Training

The studies of this four-year primary course are required subjects—oral and written English, arithmetic, geography, physical training, industrial work, good morals and right conduct, and literary work; except that there is a differentiation of the industrial work for girls and boys, and occasionally a choice between gardening and carpentry in the fourth grade. In the intermediate grades, however, there is a definite vocational specialization of curricula, so that a student may take either the "housekeeping and household arts course," the "trade course," the "farming course," the "general course," which includes considerable training in gardening and carpentry, or, until recently, the "teaching course." The teaching course has been eliminated from the intermediate grades because the educational requirements for teachers have been raised to exclude beginning teachers having only an intermediate school education. In several of the larger intermediate schools the specializa-



A MODERN PROVINCIAL SCHOOL PLANT IN THE PHILIPPINES—AT SAN FERNANDO

(Note the athletic field and swimming pool)

tion of courses is carried farther so as to provide a "mechanics' course," a "wheelwrights' course," an "automobile mechanics' course," a "cabinet-makers' course," etc.

The effect of this vocational training is manifest all over the archipelago. Whereas in Spanish times Chinese artisans had to be imported to do the skilled work of the country, to-day Filipino craftsmen trained in the public schools are building the houses, making the furniture, carrying on scientific farming and the like.

The Intermediate Schools

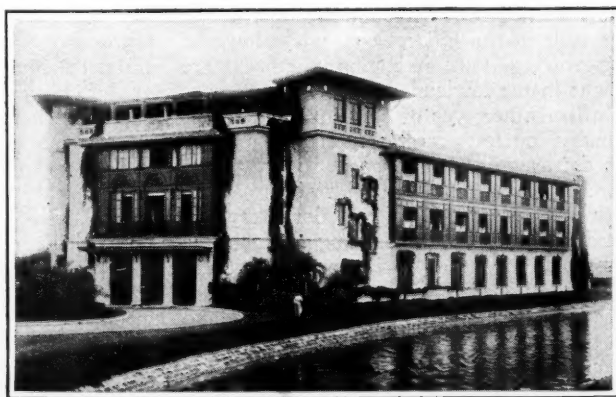
In 1919 there were 57,392 pupils in the intermediate grades, of whom 27,020 were in the fifth grade, 17,519 in the sixth, and 12,853 in the seventh or last grade before the high school. It should be of interest to note that the Filipinos studying in a foreign tongue complete the elementary work in seven years, whereas eight years are required in our American schools. The graduates of this seven-year Philippine course do just as well in the secondary grades as the graduates of our eight-year course. However, this must be said: Bright pupils in America frequently complete our elementary course in seven years and sometimes in six, whereas the sequence of courses in the Philippine elementary grades makes it practically impossible for students to finish in less

than seven years. Perhaps it is true that the Philippine system is a hard pull for the average pupil. Certainly the American system is a drag on the bright pupil.

As to courses, the intermediate-school enrollment in 1919 was: "General course," 34,468 boys and 6585 girls; "teaching course," 41 boys; "trade course," 2607 boys; "farming course," 1947 boys; "housekeeping and household arts course," 11,744 girls.

In the Philippines, as in America, the popular standards in the matter of education are continually rising. In 1900 the Filipino who could read books was an outstanding figure in the average town. In 1905 he had to be a third-grade graduate to be "educated." By 1908 an "education" in the Philippines implied completion of the four-year course with a year or two in the intermediate grades. To-day high-school graduates are common, and the Filipino who wants to be sure of intellectual leadership in his community must spend one or more years at the University.

Secondary and university education in the Philippines is quite similar to that in the United States, both in specialization of curricula and in the content of particular courses. In addition to the regular high schools to be found in all the provincial capitals and in other large cities—with a general course, teaching course, trade course,



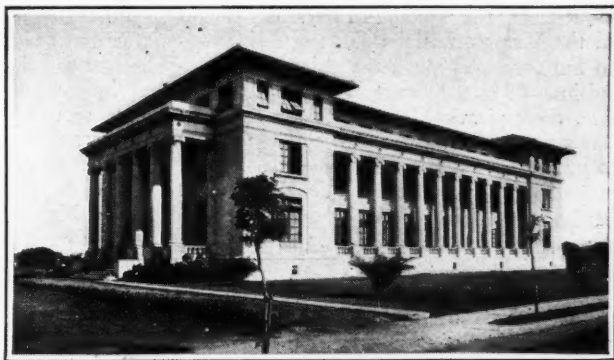
THE GIRLS' DORMITORY AT THE NORMAL SCHOOL IN MANILA

farming course and domestic science course—there are a number of special technical schools supported by the provinces and by the insular government. Of these the Philippine School of Arts and Trades, the Philippine Normal School, the Philippine School of Commerce, and the Philippine Nautical School, all in Manila, and the Central Luzon Agricultural School at Munoz, Province of Nueva Ecija, are the most important. Additional insular normal schools, similar to the "State normals" in the United States, are being developed at Zamboanga, Cebu, Iloilo, Albay, and Laoag.

"Farm Schools" and Higher Institutions

A "farm school" is a regular day school of intermediate and secondary grade located on a farm and giving a specialized, practical farming course. More than half of the provinces of the archipelago already have "farm schools" and the plan is that every province should have one. An "agricultural school" is a boarding school, largely of secondary grade, located on a farm and equipped to give even more specialized agricultural training than the "farm schools." These "agricultural schools" are similar to the agricultural colleges in the United States. The subsistence of the students at these boarding schools is paid for in part by the government. There were thirteen "agricultural schools" in operation in 1919.

The Philippine system of public instruc-



THE ADMINISTRATION BUILDING, UNIVERSITY OF THE PHILIPPINES

tion culminates in the University of the Philippines, which has a college of liberal arts, a college of law, a college of agriculture, a college of education, a college of medicine, a college of engineering, and a school of fine arts. It compares favorably with State universities in the United States. Under the able direction of Dr. Guy Potter Benton, who was inaugurated president last June, the University of the Philippines should continue to improve in quality and increase in size to the end, much desired by the Filipinos, of being the outstanding university in the Orient.

There are many private schools and colleges in the Philippines. In fact, the oldest university under the American flag is in Manila. The College of Santo Tomas, established by the Dominicans in 1619, was given the right by papal authority in 1645 to bestow higher degrees under the title of the Royal and Pontifical University of Saint Thomas Aquinas. Unfortunately, the private schools serve mostly the aristocratic class and tend to perpetuate the two-class system which characterized the Spanish régime.

The Moro Problem

At least one-fourth of Philippine territory has been occupied by Mohammedans since the fifteenth century, and during that period these fanatical Moslems have been the aggressive element in the native population of the archipelago. When the Spaniards reached the islands in 1565 they made an easy



ONE OF THE FIRST MORO SCHOOLS (IN PALAWAN) TAUGHT BY A CHRISTIAN FILIPINO

conquest of the pagan Malays of Luzon and the Visayas, but the datus of Mindanao and Sulu were as much the rulers of Moroland in 1898 as they were in 1498. Furthermore, these piratical Moros of the southern islands ravaged the coast towns of the northern provinces and carried the Christian Filipinos off to slavery in open defiance of the Spanish authorities until the arrival of the steamboat put the tiny Moro "vintas" at a hopeless disadvantage with the swift Spanish gunboats. While the Spanish soldiers and the Spanish friars completed the conquest and conversion of the northern two-thirds of the archipelago by 1650, there was no conquest and no conversion in the southern islands during the three and a half centuries of the Spanish régime.

This fact is of tremendous significance to the future of the Philippine Islands, because to date no nation has been able to exist half-Christian and half-Mohammedan. In fact, the existence of sixty million Mohammedans among the three hundred million people of India is cited by competent authorities as the chief reason why India cannot become a national state. However, the leaders in our Philippine administration have refused to be daunted by any such obstacles in carrying out our original policy of developing a self-governing Filipino nationality.

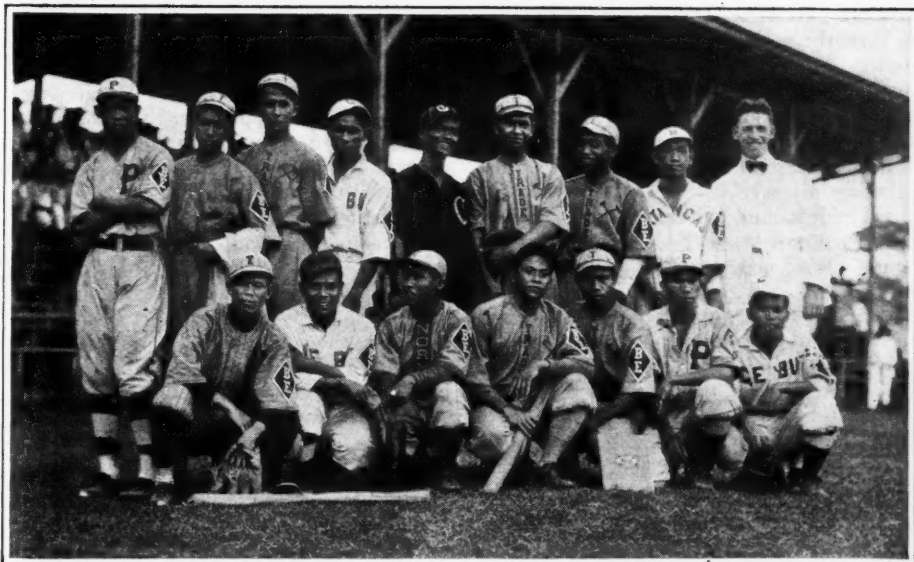
Public schools for Moroland were simply out of the question in 1900 when we opened the schools in the Christian provinces. There were far too many Moros who desired to win eternal bliss in the next world by killing Christians in this world. Moroland was not even a healthful place for soldiers at that time. In 1903, however, General Leonard Wood inaugurated the policy of disarming the Moros, and this policy was carried to practical completion between 1909 and 1913 by General John J. Pershing. By disarming the Moros, by a fair and impartial administration of justice based on Mohammedan law as well as on Philippine civil and criminal law, and by opening up schools in the more peaceful communities, the United States Army authorities prepared these fierce Mohammedans for the civil government under a civilian governor which was inaugurated in January 1914.

Even before the army authorities relinquished control of the Moro country in 1913, several thousand Christian Filipinos were given homesteads in the rich Cotabato valley, which is in the center of the Mohammedan country where no Christian dared to

venture ten years before. Under the civil government of 1914 the public school system of the Christian provinces was extended to include this region. A few Americans and several hundred Christian Filipino teachers went among these one-time fanatical Mohammedans to teach the fundamentals of twentieth century civilization and Philippine citizenship. To-day there are more than 40,000 pupils in the schools of Moroland; a thousand Christian Filipinos are teaching in these schools; and Christian emigrants from the northern provinces are entering Mindanao and Sulu at the rate of a thousand a month to take up homesteads in this richest agricultural region of the archipelago. Mindanao is bound to be the garden-spot of the Philippines, because it has the richest soil, because it can produce a greater variety of tropical plants, including rubber and spices, and because it is never swept by the typhoons which cause such terrible destruction in the northern islands every year.

This remarkable progress in Moroland since 1913 has not been achieved without difficulties. At times entire communities have become antagonistic to the government to such an extent that armed forces had to be employed to carry on governmental functions. In 1917 several battalions of infantry and a battery of field artillery were used to break up an insurrection near Lake Lanao. And only a few months ago a press dispatch reported that ninety Moros were killed in a similar rebellion. These Moros are still Mohammedans, and Mohammedanism is a "militant" religion. It takes only a spark of conflict between the Moro community and the Christian Filipino teacher or administrator to set the entire countryside ablaze with rebellion.

The close student of Moro progress will find many indications that Mohammedans and Christians of the Philippine archipelago are being amalgamated into one Filipino nationality which may, in time, be capable of complete self-government under American protection. But this process of amalgamation has just begun. The difficulties to be overcome are tremendous. Universal public-school education is a powerful amalgamating force, but every care must be taken to see that the process does not end in an explosion. American personality, American ideals, and the irresistible force of the United States Army have been the catalytic agents which have made possible the present friendly relations between the Christian Filipinos and



FILIPINO SCHOOLBOYS AT PLAY—A MANILA BASEBALL TEAM

(The B E insignia on their sleeves shows that the team represents the Board of Education, the boys attending several different schools at Manila)

the Mohammedan Moros. To withdraw these agencies too soon would make an explosive, infusible compound of these two religious groups.

Vast Influence of the Public School

It is to the Philippine public-school system that we must look for the future of the Philippines and of the Filipino people. It is the primary schools in every town and village that provide the literate citizenry which alone is making local self-government possible. There can be no enduring democracy without a literate citizenry and without the political training which comes only from local self-government. There can be no Filipino state without a common Filipino nationality. It is the primary schools that are laying the foundation for this common nationality by teaching a common language, a common patriotism, and a common Philippine tradition to the one-time head-hunting Igorots, to the fanatical Mohammedans, and to the peaceful Christian Filipinos. The hygiene and sanitation taught in the primary grades and the food campaign fostered by the public schools are responsible for the increase in bodily vigor without which the easy-going Filipinos of two decades ago would soon be a vanishing race like the Kanakas of the Hawaiian Islands. It is the industrial training of the public schools that

is preparing the inhabitants of the Philippine Islands for that relentless economic competition which no race can escape in this industrial and commercial age.

The physical training and competitive athletics of the public schools have done more than provide the pupils with physical and mental alertness. They have given the Filipinos the leadership of the Orient in athletics. In addition to inaugurating the Oriental "Olympiad" at Manila in 1913, the Filipinos have won more points than either the Japanese or Chinese in four of the five "Olympiads" held to date. In 1915 President Yuan Shi Kai took occasion to thank the Philippine Government for the fine influence Philippine athletics were having on Young China. In June, 1921, the Philippine Olympic team at Shanghai won the championship in track and field events, in baseball, in swimming, in tennis, and in the decathlon. The Chinese team won in football, in basketball, in volley ball and in the pentathlon. The Japanese won only the marathon, although they did push the Filipinos hard in baseball, tennis, swimming, and the track events.

Political Future of the Islands

A fundamental change in government must be accompanied by a new political generation, because the political constitution of

a country is, after all, nothing more nor less than the political ideas and ideals of the people. A study of the changing State constitutions reveals the influence of new political generations in the United States every twenty or thirty years. Now the new political generation in the Philippines is just beginning to make its influence felt on the political ideas and practices of the Islands. Such youngsters as Conrado Benitez, Camilo Osias, and Antonio de las Alas are evolving, not an American political ideal, but a twentieth-century Philippine ideal; and this ideal is thoroughly democratic, thoroughly moral, and quite as practical as ideals usually are. But the rank and file of younger Filipinos are undecided whether to follow the untried paths pointed out by these idealistic young leaders, or whether to cling to the well-tried ideals and practices of the older generation.

In short, the present generation in the Philippines is a generation of transition. There is much confusion in the Filipino mind as to just what kind of government they do want. But give such leaders as Benitez, Osias, Alas, and Sanvictores twenty years in which to clarify and spread their ideals through the press, the schools and the lecture platform, and there will be a real political constitution in the minds and hearts of Filipino people that will adequately serve their political and social needs. When that time comes there will be no question as to who should govern in the Philippines, just as there is at present no question as to who should govern in Canada or in Australia.

General Wood and ex-Governor Forbes are trying to ascertain just what the Filipinos do want in the matter of independence. Practically everywhere they have gone in their trip through the provinces the people have asked for "independence under American protection." What live American boy has not desired the same relationship to his father when he reached the age of sixteen, the age of opposition? The Filipinos realize that they have no money for national defence; but perhaps they do not realize that their large appropriations for education have been possible only because they have had no military, naval, or diplomatic expenditures to consume their national budget. As it is,

the Philippine Government is in a rather serious financial condition to-day.

President Harding has expressed his intention of arriving at some definite settlement of the Philippine question during his administration. It is, therefore, high time that the Filipinos decide whether or not their desire for the status of an independent state is to be gratified by the assumption of a tremendous overhead expense which will mean necessarily the cutting down of expenditures for education and the subjecting of their country to the danger of absorption by some powerful state less charitably inclined than the United States. This independent status would also mean the loss of their present preferential treatment in the American market, where the Filipinos sold 50 per cent. of their exports last year. In fact the United States buys almost all of the more promising Philippine exports, such as coconut oil, tobacco, sugar, embroideries, and hats.

It is a foolish father who says, "Son, do as you please and I will stand back of you." Such an arrangement does not usually ruin the father financially, although it may break his heart. But it does ruin the boy very effectively. The wise father says, "Son, you may come into the business and work your way up; or you may come in as a junior partner, provided you remember that you are the junior partner. But if you insist on doing as you please, you will have to get out and shift for yourself. You can not keep your cake and also eat it, not in this world."

Our Philippine policy has been a most worthy American policy. It has succeeded as no other colonial policy has succeeded in so short a time. As the Filipino president of the Philippine Independence Commission said in 1919: "The Filipinos are contented and are accomplishing much." It may be that when certain elements in America see the situation clearly and stop encouraging the Filipinos to believe that they "can have their cake and eat it too," the facts of the situation will become so apparent to the Filipino leaders that they will stop talking of "independence under a protectorate" and ask for a relationship with us that will be practicable and to the mutual advantage of both peoples.

AMERICA'S OPPORTUNITY IN PERSIA

BY AN AMERICAN OBSERVER

NONE of us who were professional observers of events in Petrograd in the latter part of 1917 seems to have been able to get into the public mind the one big, significant fact that Kerensky fell and Lenine arose primarily because the Allied diplomats failed either to understand or to support the Revolution. History will lay the downfall of a régime of constitutional liberty in Russia at the doors of the embassies in Petrograd. Had the Entente Powers given reasonable support to the Kerensky government, the Russian Revolution would have developed in the orderly fashion of the American Revolution, which was its chief inspiration. There would have been difficulties, of course; but there would not have been Bolshevism.

The American embassy gave Kerensky sympathy and approval, but little active assistance. The other Allied embassies were even less helpful. Certain of them were really Czaristic in their sentiments, and scarcely concealed their contempt for the revolutionary government. None of them had any adequate sense of the gravity of the occasion. They were unable to perceive an hour of destiny when it came upon them. An extraordinary situation could not be grasped by ordinary men.

So the floodgates of Bolshevism were left open; and a world inundation, with consequences beyond computation, has followed. A share of the condemnation that has been poured upon the heads of Lenine and Trotzky really belongs upon the "trained" diplomats of Europe.

Bolshevism at the Gates of Asia

At present there seems every likelihood of repetition in 1921 of the blunder of 1917. What was done—and left undone—in Petrograd is being paralleled in Teheran and Constantinople. This time the larger responsibility rests upon America, which, thanks to Ambassador Francis' simple and real democracy, was least culpable in 1917.

Then, at Petrograd, the Pandora's Box of Bolshevism was opened upon Europe;

now, at Teheran and Baku and Tashkent, it is being opened upon Asia. This latter crisis may be the graver of the two, by so much as Asia is more subject to mass movements than Europe.

Brakes have been applied to Bolshevism in Moscow, for prudential reasons. Lenine has even promised Lloyd George to desist from propagating radicalism in the Orient—a promise which he cannot keep if he would, for the present center of power of the Reds is in the Middle East. They have Sovietized the little Caucasus countries of Armenia, Georgia, and Azerbaidjan. They have forced the British out of Persia, as well as out of the Caucasus, and have set up a Bolshevik cabinet in Teheran. Tashkent is a center of Red Revolution from which Turkestan is dominated and Afghanistan entered. India and western China have both come under the influence of this three-fold "crusade," which is at once anti-British, pan-Asiatic or pan-Islamic (as may suit the particular people addressed), and pan-Bolshevik. The Russian alliance with Nationalist Turkey, which is now known to the general public, is one of the first fruits of the Asiatic drive of Bolshevism.

Overlooked by the world, because staged in that ancient center of history, mid-Asia, which to the average person is almost as unreal as the Mountains of the Moon, there is now under way a vast project for oriental dominion by communism. Enver Pasha, with his base at Baku, is one of the directing minds of this sinister attempt to marshal the hordes anew against civilization.

What Should America Do?

All of the foregoing is by way of being a brief preface to the real point of this article. My purpose in writing is simply to raise the question, "What are we going to do about it?" The situation is fully as portentous as that which the Entente embassies allowed to get out of hand in Petrograd in 1917. In some respects it is analogous. This new orientation of radicalism is still in

a condition to be diverted and neutralized. Prompt action by the one power potent to act effectively may reshape the history of the Near and Middle East.

That power is America. Europe is at war with Asia. The bitterness and intensity of the antagonisms that have been aroused by the British and French conflicts with Eastern peoples, since the armistice, is not generally understood. Suffice it to say that it has well-nigh palsied the arm of Great Britain, "the policeman of the world." To-day, over the larger part of her oriental sphere, Great Britain is waging a defensive warfare: she is the object of attacks in Turkey, Egypt, Arabia, Mesopotamia, Persia, the Caucasus, India and Afghanistan. The proper interests of Great Britain in the East are in need of succor to-day. She cannot help herself, much less help the general cause of civilization.

Why Persia Needs America

America is the one nation trusted by all nations. The East in particular confides in the United States. Nobody ever suspects her of reactionary or imperialistic designs. Instead, she is the idealized exponent of liberty, justice, and good-will. Her character has been written in alms all over the world. It is no exaggeration to say that at the present moment the moral influence of America over the weak and troubled nations of the East is greater than the military might of European countries. What the troops of another power cannot do, the mere wish of America is sufficient to accomplish. An unmeasured store of accrued good-will toward the United States is available for diplomatic uses.

This is particularly the case in Persia—and Persia is the key to the Eastern campaign of Bolshevism. The Reds simply must have Persia, if they are to carry out their program; since Persia, a next-door neighbor to Russia, also looks toward Turkey, the Caucasus, Arabia, Mesopotamia, and India. A glance at the map shows how central Persia is to the old, old world; and explains why it used to exercise dominion over the whole known earth. Modern Persia has fallen sadly from the estate of "the Great King," but it is none the less a strategic

center in the new schemes of world conquest.

Our Favorable Position

And present-day Persia is friendly to the point of devotion toward the United States. When she was being rent between rival imperialistic plans, it was America that stood out in disinterested service of Persia's rights and welfare. American missionaries have been the only American "interest" in Persia for a century past; and a large proportion of her leaders have been educated in American missionary schools. When famine and plague, two years ago, smote the land, it was from America that succor came. Moreover, America is the embodiment of free institutions; and of a spirit of simple friendliness, as expressed in all official and unofficial dealings with the Persians.

Therefore America's diplomatic representative at Teheran may, by a proper use of his powers, bring such friendly pressure to bear upon the Persians that their country will be kept from extreme engagements to the Soviets and retained in the ranks of constitutional democracies. This is for us a national opportunity and obligation. In the Middle East the United States does not share with the Entente Powers, as at Petrograd, the responsibility for thwarting Bolshevism: if the peril is to be overcome, and a repetition of the blunder of 1917 avoided, only America can act effectively. This does not imply any departure from our historic policy of avoiding foreign entanglements: no political or military commitments are involved. Simply by a wise use of American influence and prestige, any alert diplomat may lead Persia to see wherein her own and the world's advantage lie. He would simply "cash in" the invested friendship of decades; and solely for the benefit of Persia and the whole Orient.

Without our will or desire, America has been made watchman at the gates of the East in a crisis of magnitude. If awake and efficient, we may thwart the enemy, save the people, and avert a catastrophe of dimensions beyond any man's power to foresee. The historic failure of the West at Petrograd, in an emergent hour, may be atoned for by faithfulness at Teheran, in another day of destiny.

IN MEMORY OF A GREAT AMERICAN

BY HENRY WYSHAM LANIER

DEMOCRACIES have ever been prone to honor their citizens who "have deserved well of their country"—after they are dead.

To be sure, Theodore Roosevelt was such a Police Commissioner in New York City that President McKinley brought him to Washington as Assistant Secretary of the Navy; a few months later he was such a Colonel of Rough Riders in the Cuban campaign that New York State promptly, on his return, demanded, and got, him for Governor; his two-year record there brought him to the Vice-President's chair—which he proceeded in his own colorful phrase to make "a perch instead of a shelf," so that when, upon McKinley's death, he succeeded to the supreme authority, every American felt that fate had managed well; and the country sealed its approval three years later by electing him President for another four years. Surely, even the enemies such a personality was bound to make recognized the man as a power to be used in our public life.

Yet it was still true that when he crossed the Great Divide, on January 6, 1919, the country and the whole world awoke to an entirely new sense of what he had stood for, of his prodigious net accomplishment in his sixty years of life. And ever since that day the movements to erect fitting memorials to this many-sided American have increased and multiplied.

Three days after his death the Republican National Committee, at a special meeting in Chicago, created a non-partisan Roosevelt Memorial Committee; and since February 1, 1919, these eighty representative men and women have been working at the development of plans for a triple memorial:

(1) A monumental memorial at Washington; (2) a park at Oyster Bay; (3) an incorporated society for the development and application of the policies and ideals of Theodore Roosevelt for the benefit of the American people.

Three committees (headed, respectively,

Oct.—6



MR. EDWARD CLARK POTTER'S MODEL FOR AN EQUESTRIAN STATUE OF THEODORE ROOSEVELT

(The statue represents the late President as Colonel of the Rough Riders, in the Spanish War period; and the pedestal will bear four bas-reliefs commemorating phases in the career of that regiment)

by Elihu Root, William Loeb, Jr., and Gifford Pinchot) have had these efforts in charge. Under their stimulus Mr. Roosevelt's birthday, October 27, 1919, was celebrated by millions of school-children and adults all over the country; 300,000 meetings were held during that week throughout the United States, and a million Americans enrolled in the Association, subscribing a million and a half dollars to the memorial fund. Cuba, Panama, Hawaii, the Philippines, Alaska, the leper island of Molokai, Chile, China and the Virgin Islands vied with the States in enthusiastic observance and contribution.

These funds were transferred in May, 1920, to the incorporated Roosevelt Memorial Association, the president of which, Colonel William Boyce Thompson, has contributed not only his time but about a quarter of a million dollars to the movement. (The late E. L. Converse paid for the designing and printing of two million

certificates of membership for the Association to use).

This Association has become the center of Roosevelt work. It has bought the land for the Oyster Bay park, where there is to be a Roosevelt house and library and other features; it has a Bureau of Research and Information collecting photographs, moving pictures, facts and stories about every side of Mr. Roosevelt's activities; a fellowship in Roosevelt Research has been founded at Harvard; it has established a committee for the perpetuation of Roosevelt's ideals, and Mr. Hermann Hagedorn, a member of this committee and secretary of the parent Association, has just prepared, after exhaustive study and patient collection of first-hand material, the first volume of an authoritative series of Roosevelt books—"Roosevelt in the Bad Lands."

The Association has issued a 66-page booklet describing the more interesting of the thousands of suggestions it has received from all over the world for the still undecided monumental memorial at Washington, and other projects of similar nature elsewhere. It takes no less than fifteen headings merely to classify these: Americanization; Conservation of Wild Life; a Seaside Park at Oyster Bay; a Cemetery in France; General Educational Projects; Agricultural Endowment Fund; Monuments; Newspapers; Homes for Children; Hospitals; Museums; Clubs; Highways, Parks and Cities; Trees; a National Holiday.

Many of these ideas, of course, are amusing or grotesque; but a surprising number are deeply impressive—evidencing the profound way in which the life and achievements of Roosevelt have stirred millions of our people.

In addition to this congeries of activities centering about the Roosevelt Memorial Association, there is an energetic Women's Roosevelt Memorial Association, with a national organization, which is raising the money to purchase and restore the birthplace of Mr. Roosevelt at 28 East 20th Street, New York City; in September a bronze commemorative tablet was dedicated at the Good Will Farm, a boys' school at Hinckley, Maine, visited by the President;

at Mattawamkeag Lake, where he is said to have been in the habit of reading the Bible under a certain tree, while on his woods trips, a large Bible has been fastened to the tree so that passersby may read it; New York State has established a Roosevelt Wild Life Forest Experiment Station at Syracuse, and expert scientific specialists last summer were studying the birds and fishes of the 7000-acre Allegheny State Park; similar investigations have been carried on in Yellowstone Park—of the food capacity of trout streams, of the beaver, with actual detailed maps of their dams and ponds, and, under Edmund Heller, the naturalist of the Roosevelt African Expedition, of the status of the large game mammals in the park; and many other vitally interesting and varied commemorative efforts are being constantly reported.

The picture reproduced herewith is a photograph of a rough first sketch for an equestrian statue of Colonel Roosevelt, at the Spanish War period, by the distinguished sculptor Edward Clark Potter—who is universally recognized as perhaps the foremost living American sculptor of horses, and who has done such notable statues as the General Hooker in front of the State House in Boston, the rarely beautiful De Soto at the St. Louis Exposition, the Custer in Michigan, and so on.

The pedestal of this proposed statue is to bear four bas-reliefs: the Rough Riders coming into San Antonio to begin training; their departure for Cuba; the charge up San Juan Hill; and the parade after the war was over.

It has been suggested that this admirable work be erected in San Antonio, where the regiment was trained, by joint subscription of the State of Texas, the city of San Antonio, and the members of the Rough Riders Association, there being some 700 or 800 still left of the original thousand.

While there will doubtless be many statues, it is safe to say that few will have a better chance than this of being visited by pilgrims in 2021—not only because it represents a great American but because it is a true work of sculptured art of which any American may feel proud.



"HIS SOUL GOES MARCHING ON"

THE familiar words from the refrain of "John Brown's Body" form the title of a touching story by Mary R. Shipman Andrews in *Good Housekeeping* for October. It is a Roosevelt story, as the same author's "Perfect Tribute" was a Lincoln story. The hero, "Jimmie," had seen Colonel Roosevelt only twice in his life—once as a thirteen-year-old boy fishing near his home in the Middle West, and later when the boy had become a man and marched with his regiment up Fifth Avenue to be reviewed by the Colonel just before embarking for France in 1918. Yet in the Argonne it was his memory of Roosevelt's face and his devotion to Roosevelt's ideals that made of weak-kneed Jimmie a hero who won the *Médaille Militaire* of France.

Jimmie comes back, after the armistice, severely wounded, and his first journey is made as a pilgrimage to the grave at Oyster Bay. The final episode of the story is related in the following paragraphs:

There are always automobiles standing at the side of the road which runs past the Oyster Bay cemetery. The great American who sleeps there, under the trees of the peaceful hillside, is never without homage of Americans. On a soft, gray April morning of 1919, when a line of five or six cars was drawn up at the edge of the road with its wide grass border, another car stopped, and from it stepped down a spectacled young man in uniform, who limped a little. He was pale and very serious, and as he turned after a moment's speech with his chauffeur in the direction which the chauffeur had pointed out, he drew the overseas cap from his head, and the light shone on thick, red hair. The *Médaille Militaire*, the highest honor in the gift of France, to be won only by enlisted men and by general officers, but by no rank between—was pinned on the breast of his blouse. As he walked, slowly enough, for he was yet weak from wounds, and shell-shock makes a slow recovery, one or two quiet groups of people coming back to their cars from Roosevelt's grave looked at him, at the wound-stripe on his right sleeve, and then back, a bit anxiously, to his young, worn face.

In the boy's look was a quality which marked him as different from the ordinary reverent visitor. This gaunt, gray-faced, big youngster had an air of something which he meant to do. He stood apart quietly when he reached the spot under the whispering trees, where the shadows of the dimly sunlit spring morning swept softly back and forth, back and forth, over all that was left of a strong body, the house of a strong soul.

"Earth to earth; ashes to ashes." Yet Theodore Roosevelt's triumphant personality triumphed yet through the end of his mortality. "Oh, grave, where is thy victory?" Jimmie considered as he stood with bowed, bared head, and held his overseas cap crushed against his breast, as Roosevelt had held his hat crushed that day when the Division marched up the Avenue and those keen eyes, now closed, had gazed out at America's soldiers with a rapture of tenderness and suffering.

For the spirit of the place was inspiration. From this place, as long as America lasted, Americans must go with a new breath of loyalty and of consecration to America with a desire to serve the land with one's might, as Roosevelt would have it served.

"His soul goes marching on," whispered Jimmie, catching his breath to remember how that great soul had marched with himself through hardship and weariness in France and had swept him by sheer power of a name through battle flame and shell fire.

Near this place might one day rise, the boy dreamed, a mighty flagstaff, the highest in the world, it should be, as fitted the tribute of a great nation to its great son. And from this should float always, into the ages to come, the flag for which Theodore Roosevelt had spent himself; the flag which stood to him and stands to us for the last word in the cause which "shall not fail, for it is the cause of humanity."

At last—it might have been about one o'clock—for a space of time Jimmie stood alone in the hushed, bright place; all the quiet footsteps had gone away over the gravel; the wind whispered unhurried memories through the trees, memories of a small boy fishing and of a Personage who had played and fished and talked with him through an unforgotten hour; memories of light feet marching in a great rhythm up the Avenue and of a face looking down at them—a second's glance to be remembered for a lifetime.

Jimmie came forward quickly with his halting step. The gate of the railing which protects the grave was not locked, and he opened it as by right, and passed in. He dropped his brown cap on the earth then, and with stumbling fingers unpinned his most precious possession, the *Médaille Militaire*, and knelt and laid it above where Roosevelt's heart might have been.

"It's the best thing I own, Colonel. It's yours, anyhow," he whispered. "I kept my promise, Colonel."

A moment he bent his head, and a big tear fell on the dim yellow and green ribbon of the medal lying among flowers. Then Jimmie picked up his cap, and passed through the gateway, and went back through the trees to his taxi, no badge of honor on his breast now and a mist yet in his eyes, limping and gaunt and very tired, but with a deep contentment in him that he was one of the Americans who had not failed the cause of humanity.

LEADING ARTICLES OF THE MONTH

THE WORLD'S NEW STATESMEN

WHAT has the League of Nations done by way of creating a new type of international statesman? Mr. H. Wilson Harris attempts to answer this question in the *Review of Reviews* (London). It is true that the League has been in existence less than two years, that much time has necessarily been spent in organization, and that few great problems calling for great decisions have thus far presented themselves. Yet it may be said that the League has already conferred on a number of men hitherto little known outside their own countries a stable, international reputation. In the opinion of Mr. Harris, this is much more true of smaller states like Belgium, Norway, Switzerland than it is of the major powers like Great Britain and France. Several of the leading personalities in the Assembly of the League are sketched herewith by Mr. Harris, beginning with M. Hymans, the Assembly's first President:

M. HYMANS

Of the men with whom this article is specially concerned no better example could be found than M. Paul Hymans, the representative of Belgium on the League Council and Assembly. Before the war the name of M. Hymans was hardly known outside Belgium, though as former Belgian Minister he had many friends in England. He became Foreign Minister later, but Belgian Foreign Ministers have, as such, an inconspicuous place on the international stage.

During the Peace Conference in 1919 M. Hymans placed his considerable abilities at the disposal of the Commission entrusted with the task of framing the Covenant of the League of Nations, and he sat, appropriately enough, as the representative of his country at the first meeting of the League Council in the Clock Room of the Quai d'Orsay in January, 1920. He has held that position without a break ever since, and when the Assembly of the League, meeting for the first

time at Geneva last November, had to open its proceedings by electing a President, only one was seriously considered.

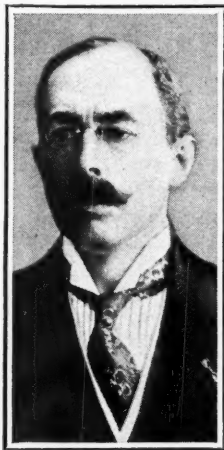
M. Hymans had attended every Council meeting since the League was formed. He knew the League's problems through and through. He was a former diplomatist, a former Foreign Secretary, a lawyer of distinction, a man of keen intellect and most attractive address. It needed all, and more than all, those qualities to control the discussions of a gathering of men of forty different nations and a dozen or more different tongues, with no precedents, no rules of procedure, no common parliamentary tradition to guide them, but there can have been few members of the Assembly who at the end of five weeks' sittings would have claimed even to their wives that they could have done better than the Belgian delegate.

But M. Hymans has had other responsible tasks to discharge for the League besides presiding at its Assembly. He was the author of a most able memorandum on the tangled question of the relations between the Principal Allied and Associated Powers and the League in the matter of mandates. When the Polish-Lithuanian dispute over Vilna had reached a deadlock, it was M. Hymans who was chosen

by the League as conciliator, and his project of settlement, unanimously approved by the League Council and accepted by both disputants as a basis of discussion, is at the moment of writing the subject of conversations going forward between the two parties at Brussels under M. Hyman's chairmanship.

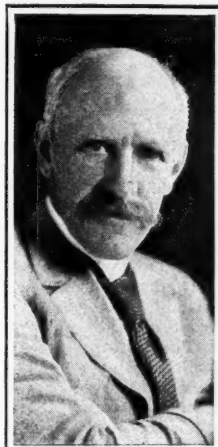
DR. NANSEN

Turn now to a different type again. In Dr. Fridtjof Nansen the ideals of the League of Nations find not merely whole-hearted support but personal embodiment. Generous-minded, direct alike in speech and in purpose, conspicuously just and at all times palpably sincere, always more a believer in doing things than in talking about them, Dr. Nansen represents as a man what every nation loyal to the League should be as a nation. As organizer of the enterprise which has resulted in the repatriation of more than 350,000 war prisoners scattered from the Rhine to the Pacific he has done a great work for the League.

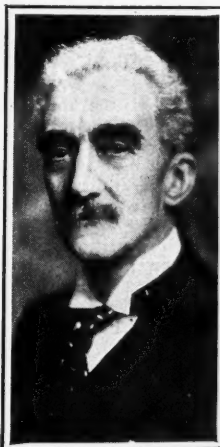


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DR. H. A. VAN KARNEBEEK
(Dutch Minister of Foreign
Affairs, chosen President of
the League of Nations As-
sembly at Geneva)



Photos © Harris & Ewing
DR. F. NANSEN
(Norway)



M. PAUL HYMANS
(Belgium)



M. GIUSEPPE MOTTA
(Switzerland)



DR. WELLINGTON KOO
(China)

FOUR STATESMEN OF WORLD RENOWN CONSPICUOUS IN THE ORGANIZATION OF THE LEAGUE OF NATIONS

He did work only less valuable as representative of Norway to the first Assembly.

At the same time the League has done much for Dr. Nansen. Till he struck alliance with it early last year he was a world-figure, indeed, but a world-figure in one narrow field, that of Arctic exploration. To-day he is a world-figure in the affairs of nations. Not that he either sought that rôle or welcomed it. He is far happier among the pack-ice than in a crowded Assembly hall. The danger that he may hark back to his old love is said to be serious. For the sake of the world that must not be. Other explorers can unveil the frozen North. Few, if any, probable delegates to the Assembly can supply quite what Dr. Nansen contributes. Nor could the League have any more persuasive advocate before the public. A fluent speaker of faultless English, he could do inestimable service by putting the claims of the League for three months—or even three weeks—before the people of England and America.

MR. ROWELL

Mr. Newton Rowell was one of the Canadian delegates to the last Assembly. In a gathering where plain speech was the rule his fearless sincerity was conspicuous. An experienced and very competent lawyer, a former Cabinet Minister, and a profound believer in the League, Mr. Rowell made a contribution that could not have been dispensed with, and that came from no other quarter. His attack on European statesmanship, voicing as it did views more commonly heard to the south of the Great Lakes than to the north, will not soon be forgotten. Unfortunately, he has lately resigned his seat in the Canadian Parliament, and to all appearance abandoned his political career. If he cuts himself off at the same time from the League the loss to the League will be great, and to Mr. Rowell himself not slight. But a regional development of the League is inevitable. Its members in the New World must for certain purposes group themselves together. Such a group will need leaders, and it will be

matter for profound regret if it does not find one of them in the office of Rowell, Reid, Wood, and Wright, Toronto.

DR. KOO

But if the League needs leaders in the New World, it needs them equally in the Far East, and above all in China, that land of illimitable and unfathomed possibilities. One at least it has ready to hand. The League Assembly did its generous instincts credit when it chose Dr. Wellington Koo, Minister of the Chinese Republic in London, as one of the four elected members of the Council of the League. Educated in America, possessed of intellectual gifts of a high order, still young in years, Dr. Koo is essentially an apostle of the new diplomacy rather than the old; of publicity rather than secrecy; of settlements on the basis of justice rather than as elements in a bargain. The irreproachable delicacy and the shattering completeness of his reply to a Japanese critic of China at Geneva last year are unforgettable. If his country held a more stable place in the commonwealth of nations he would speak with more authority than he can to-day.

M. MOTTA

Finally, and in repair of an inexcusable omission, one word on M. Giuseppe Motta, late president of the Swiss Republic. M. Motta has been heard of too little in connection with the League. Last year, as head of the Swiss delegation and President of the Helvetic Republic, he was chosen président d'honneur of the League Assembly, but he modestly declined the proffered seat on the platform and remained in the place allotted to his delegation near the back of the hall. No man more consistently distinguished himself by the soundness and liberality of his judgment or by the restrained and persuasive force of his speech. M. Motta is too little known outside Switzerland. The League will be the sufferer if it does not make him better known. It needs work done, and it most assuredly needs men of M. Motta's stamp to do the work.

HAS BRITISH FREE TRADE COME TO AN END?

IT is startling to read in English reviews intimations that the free trade policy, long held sacred in the British Isles, is now seriously threatened. The opening sentences of an article contributed to the *Contemporary Review* for August, by Sir Godfrey Collins M. P., now classed as an Independent Liberal, indicate such a fear:

It is not a matter of opinion, it is a matter of fact, that we won the war under a Free Trade policy. It is not yet matter of fact, but sober opinion has already all too clear grounds for fearing that, unless we walk more warily, we shall lose the peace on Protection.

At the end of the war, according to this writer, England was, "from a point of view of large scale and cheap production, far more able to compete freely in the world's markets than at any time in our history." But the situation in which the consumer found himself is suggested in the following paragraphs:

The betrayal of the consumer was being slowly accomplished. During the war the manufacturers of this country became associated more closely than had been the case since the industrial revolution. Government restrictions, together with the continued pressure of the trade unions, led to mutual understandings. As competition broke down, these understandings became firmer; prices were arranged, agreements came to, the whole position of the manufacturers was consolidated to a degree far beyond the peace-time fears of the most pessimistic consumer. In some cases a Whitley Council meeting that brought masters and men together would send the latter away permeated with this strange new

creed that the interests of the producer were greater than the interests of the whole community.

Year by year the manufacturers saw their power solidify. The war seemed unending, yet with an eye alert for the main chance, they began to prepare for the end. Powerful sections amalgamated to do battle for the maintenance of selling arrangements and of prices; for it is as natural that a producer should wish to see competition fettered as it is that a consumer should wish to see it free. Obdurately, when the armistice came, this maleficent *camorra* of producers began its siege of Parliament. Month after month they renewed their efforts; and now, at last, they see their sustained and clever propaganda coming to fruition in the Safeguarding of Industries Bill.

Those who still adhere to the free trade argument believe that the adoption by the Indian Government of a protectionist policy, while profitable to particular Indian interests, will prove costly to the people as a whole. England could do nothing to forestall the adoption of protection by India because she was herself abandoning her own system of free imports. The *London Review of Reviews* proceeds to argue that the Safeguarding of Industries Bill represents a similar attack on the British consumer, and that it is certain to raise prices. On the whole Mr. Collins seems confirmed in his free trade faith in spite of the inroads that protectionism has already made.

Sixty years of peace and six of war have demonstrated to the nations that it is freedom of trade that has made Britain great. . . . What Europe needs is peace. Tariffs mean militarism; Free Trade is pacifism expressed in economics.

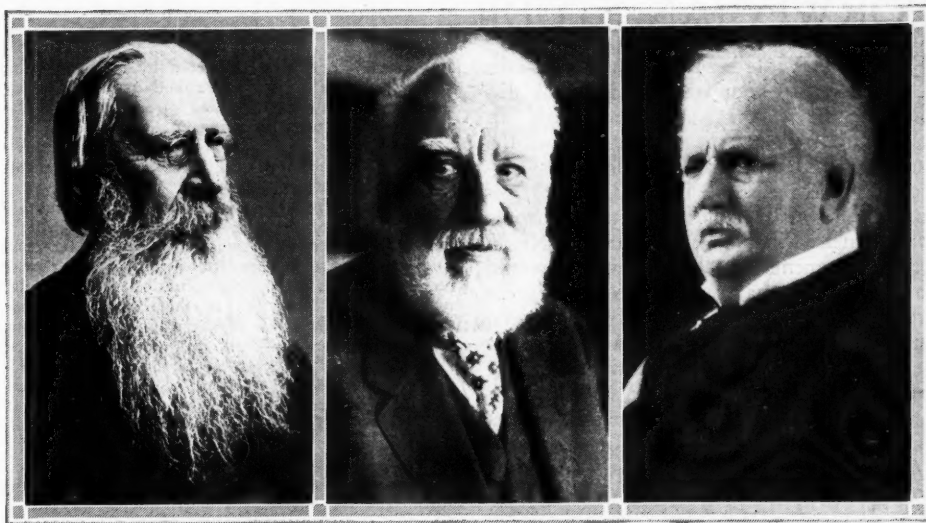
EARLY DAYS OF THE TELEPHONE INDUSTRY

AN intensely interesting chapter in the history of the telephone as a business enterprise is contributed to the September *Harper's* by Albert Bigelow Paine, author of the forthcoming book, "In One Man's Life," an account of the personal and business career of the late Theodore N. Vail. The American public is fairly familiar with the facts relating to the invention and early use of the telephone, but concerning the ups and downs of its commercial history, comparatively little has been published.

The telephone was patented in 1876, the year of the Centennial Exposition at Phila-

delphia, where the instrument was exhibited and was seen by Emperor Dom Pedro, of Brazil; by Lord Kelvin, the distinguished British physicist, and by others who gave it a world-wide newspaper publicity. During the next few years a small corporation, taking the name of the inventor, Alexander Graham Bell, manufactured telephones at Boston, but the cost was very heavy, and the business suffered from lack of capital.

In the spring of 1878, Theodore N. Vail, General Superintendent of the Railway Mail Service, through his acquaintance with Gardiner G. Hubbard, the first president of the



GARDINER G. HUBBARD

ALEXANDER GRAHAM BELL

THEODORE N. VAIL

THREE PIONEERS IN THE TELEPHONE INDUSTRY

Telephone Company, and father-in-law of Dr. Bell, became convinced that the invention had a future, and resigned his office in order to become General Manager of the Bell Company. To Mr. Vail's friends this seemed like a reckless venture. The financial problem that faced the company is thus described by Mr. Paine:

The Bell Company had no capital with which to construct a general telephone system. It could hardly construct the telephones themselves, to supply orders. Vail and his associates realized that there was just one way to carry out the work. Local companies must be promoted in the towns, the stock to be locally subscribed, a percentage of it to go to the Bell Company for the franchise, with a rental charge for the use of the instruments. It was a big idea, one of the biggest ever conceived; also one of the simplest—at least in theory.

Putting it into operation was another matter. Rarely has there been such a chaos of business affairs as Theodore Vail found when he took hold of those of the Bell Telephone Company. A good deal had been done, but most of it had been done wrong. Energetic men had, in effect, been running around in circles, trying to create a mighty industry, with no precedent to follow, no directing hand, no capital, nothing but a patent right—a Yankee toy—and such funds as had been scraped together by a manufacturer of shoe soles, whose heart was in the right place, but whose gifts hardly qualified him to become a captain of industry.

The new manager directed his first efforts to the territory outside New England, where there were in operation 6335 telephones,

with an average net rental of something less than ten dollars per year. The company was reorganized with Mr. Vail as the only salaried officer. The company secured its cash capital by obtaining a loan of \$25,000 on 1000 shares of stock (worth \$100,000), and 500 more shares were to be sold at \$50 a share. This secured only \$50,000 in all for the company's cash capital, but there was no little difficulty in raising even that amount.

In those days of discouragement, Manager Vail was far from being dismayed:

He worked always as if he had infinite resources of capital as well as courage, and an army with banners behind him. He laid out his campaign on a large scale and constantly introduced new features—among them a five-year standard contract which required the local companies to build exchanges, and confined them to certain areas. There were also contracts which provided for connecting two or more towns, though for these there was little call. How could the telephone ever be made to work at any distance when often it refused to be heard across the street? Vail, however, never for a moment doubted the realization of the last possibility suggested by Bell's invention, and provided accordingly. In his vision he saw wires extending from city to city and across the States. He even began securing interstate rights, in a day when there was no wish to deny a privilege the value of which was considered negligible. The plan in his mind was to create a national telephone system, in which the Bell Company would be a permanent partner. Perhaps he did not then put into words his later slogan, "One policy, one system, and universal service," but undoubtedly the thought was in his mind.

NORWEGIAN STUDIES OF THE AURORA

POPULAR interest in the aurora borealis has recently been stimulated by the display of last May, associated with an exceptionally violent magnetic storm and the usual demoralization of the telegraphic service. Moreover, on March 22, 1920, occurred one of the most beautiful auroras ever witnessed in the United States. Newspaper comments on these events would hardly suggest that science has made great progress in explaining auroral phenomena, but such is the case. The leading experts in this field have been Norwegians. At present, Prof. Carl Störmer, of the University of Christiania, is the world's foremost student of the aurora. In the *Scientific American Monthly* (New York) he presents an account of his researches that is most interesting and lucid, though marred by misspelled personal names and scientific terms, such as "Poulsen" for Paulsen, "Perseur" for Perseus, "caronæ" for coronæ, etc.

As in so many other lines of scientific investigation, photography has been an invaluable adjunct in the investigation of the aurora. The author says:

As all usual observations of the northern lights are more or less subjective and unreliable, it is of the greatest importance to obtain an objective method, and the only reliable one is in the present case photographic. For many years the problem of photographing the northern lights resisted all efforts. It was not until 1892 that Brendel succeeded in obtaining a fairly serviceable picture by an exposure of seven seconds during a stay at Bossekop in the north of Norway. More pictures with short exposures were not published, until in 1909 I commenced systematic investigations in order to solve the problem. By the use of a small cinematograph lens with a 25 mm. aperture and a focal length of 50 mm. and Lumière *étiquette violette* plates, I succeeded in obtaining serviceable pictures with exposures of a few seconds, and in consequence I undertook two northern lights expeditions in 1910 and 1913 to Bossekop, in order to apply photography to the study and measurement of altitude of the northern lights. Bossekop, which is situated near Alten Fjord, 80 kilometers south of Hammerfest, is a classical spot for the investigation of the northern lights, and in the course of time has been visited by many scientists.

The method by which the altitude of auroral features above the earth is measured is thus described. The reader will recall that a kilometer is a little less than two-thirds of a mile.

From two stations at a distance of about 30 km.

from each other, and connected by telephone, the northern lights are photographed after orders by telephone, both cameras being directed toward the same star. From the different positions of the northern lights on the plates, the altitude above the earth can be estimated, since the situation and the time are known.

As early as in 1910 there were obtained in this way a series of reliable calculations of altitude, and in 1913 the work was continued under considerably improved conditions. The result was no fewer than 2400 determinations of altitude, which showed that the northern lights do not extend lower down in the atmosphere than about 87 km., and that the bulk of the northern lights, and those with the greatest intensity of light, occur between 95 and 120 km. Some forms, however, particularly the summits of the auroral rays, lay considerably higher, *i.e.*, more than 300 km.

In recent years the same method has been employed in southern Norway. From my main station at Bygdø, near Christiania, I have had telephonic connection with a number of secondary stations, at distances varying from 26 to 250 km., and a large amount of material, consisting of about three hundred simultaneous auroral photographs, was obtained during the years 1916-1921.

That there is some connection between auroras and solar activity has been generally believed for many years. It is especially attested by the fact that a great outburst of sunspots is, as a rule, coincident with the occurrence of brilliant auroral displays. The nature of the connection is now known in a general way, though many details are still uncertain. Prof. Störmer says:

As early as the year 1881 Goldstein formulated the idea that the sun sends out into space streams of particles charged with electricity, which possibly cause electric and magnetic phenomena on the earth. Later on, in 1893, Adam Paulsen, the Danish meteorologist, put forward the theory, based on his observation of the aurora borealis in Greenland, that the phenomenon is due to cathode rays. According to Paulsen's opinion these rays were formed in the upper strata of our atmosphere.

My deceased colleague, Professor Kristian Birkeland, however, by his series of remarkable experiments, was the first to give a reliable basis to the theory that the aurora borealis is caused by electric rays from the sun.

In 1896 he discovered the highly interesting effect of a magnetic pole on a beam of rays, *viz.*: that of concentrating them to one point like the concentration of rays of light by a lens. This discovery suggested to his scientific mind the possibility that the earth, which is in reality a huge magnet, might in like manner concentrate cathode rays or similar electric rays from the sun, toward the southern and northern aurora zones.

Birkeland verified his hypothesis in a brilliant manner by his now famous experi-

ment of directing cathode rays toward a magnetized metal sphere suspended in a glass vessel exhausted of air. This sphere, representing the earth in miniature, was coated with a phosphorescent substance, which glowed under the discharge. Instead of being spread over the whole hemisphere exposed to the rays, the patches of illumination were found to be concentrated in two zones corresponding to the parts of the

earth, near the polar circles, where auroras are most frequent. A non-magnetized sphere showed no such zonal distribution.

Taking Birkeland's investigations as a point of departure, Störmer and his collaborators have worked out with profound mathematical skill the actual spiral paths followed by electrified particles coming from the sun as they approach the earth and come within the influence of its magnetic field.

A UNION OF BALTIC STATES

WHILE the peoples of southern Europe are trying to reach a basis for an alliance, the work of bringing about a union of the independent states on the eastern side of the Baltic created after the war has been resumed more vigorously than ever. It is undoubtedly the growing power of the new Russia which is reflected in these efforts to combine, which naturally take their impetus from the three Baltic states which broke loose from Russia. For this reason the Baltic states are seeking an alliance, for the mutual protection of their interests, with Finland and Poland, although the Lithuanian conflicts with Poland, exemplified by the Vilna coup, are many and serious. A survey of the situation appears in the Swedish *Forum*.

During last year many conferences were held and many attempts made to form a Baltic union, and Sweden was invited to join this league, but during the peace parleys with Russia these endeavors were put aside for the time being. This year, however, they have been resumed and have assumed a more definite character. Personal conferences between the leading statesmen, exchange visits of journalists, and other means have prepared the ground better than has been possible before, and the Lithuanian foreign minister, during a recent visit to Reval, invited the Estonian and Latvian governments to a conference in Kovno, where the question of an alliance between the three Baltic states will be discussed. After this meeting it is planned to hold a second conference in Warsaw, arranged through Polish initiative. To this conference the Finnish Government will be invited and the question of a general "border-state league" between Estonia, Latvia, Lithuania, Finland and Poland will be considered.

In Finland not only the Finnish-language press, but also the Swedish-language press, advocates a firmer orientation to the south,

although in many instances with great hesitation. It is pointed out that because of the way the Aland controversy ended, what was generally supposed when the independence was won, *i.e.*, that Finland's political orientation would be westward and toward Sweden, must be considered out of the question at present, even if this conflict in reality is not taken as seriously in Sweden as a superficial observation might indicate. But *Huvudstadsbladet* (Hälsingfors) says that this is not the deciding factor; the deciding factor in the question of Finland's political alliance with the Scandinavian entente is that Sweden—and in still greater degree Denmark and Norway—probably would not be in favor of assuming the risk which a union with a country so exposed to Finland would involve.

"Our country," this journal goes on, "in the threatened position in which it finds itself, cannot be satisfied in a political orientation with general friendly relations which carry with them no obligations. We cannot receive from the Scandinavian countries the guaranty of assistance which we absolutely require. Undoubtedly, we have better prospects of obtaining this to the south. The reason therefor is perfectly natural—the same danger that threatens us looms up at the borders of the Baltic states and Poland, namely, Russia's ambition to retake her lost territory." But even this paper emphasizes that such a defensive alliance would impose exacting conditions, that it should not go beyond the limits of military obligations, and that Finland's cultural relations with Scandinavia certainly ought not to be affected by these defensive measures.

Forum believes the time at hand for Sweden to follow with the closest attention what seems about to take place on the other side of the Baltic Sea and still farther east and to take such steps as may be found necessary.

A REUNITED CENTRAL AMERICA

AT the one hundredth anniversary of Central America's independence from Spain there seems a fairer prospect of a reuniting of the five states than at any time for many years past. Four of the little republics—Honduras, Salvador, Guatemala, and Costa Rica—are already joined in a central government, and there is good ground for hope that Nicaragua will soon unite with her neighbors.

In the *North American Review* for September, Miss Mary W. Williams, professor of history at Goucher College, writing on "The New Central America," reminds us that during the colonial period the five states formed a single unit in the Spanish Indies, and constituted the Captaincy-General of Guatemala. After declaring independence in September, 1821, these states were known for fifteen years as The United Provinces of Central America. However, they soon became the victims of selfish leadership and inexperience in self-government. Strife and chaos resulted, and after 1839 the union was legally, as well as actually, at an end. Yet the idea of ultimate reunion persisted, and during the last century there were at least a dozen unsuccessful attempts to bring back the states to a common nationality.

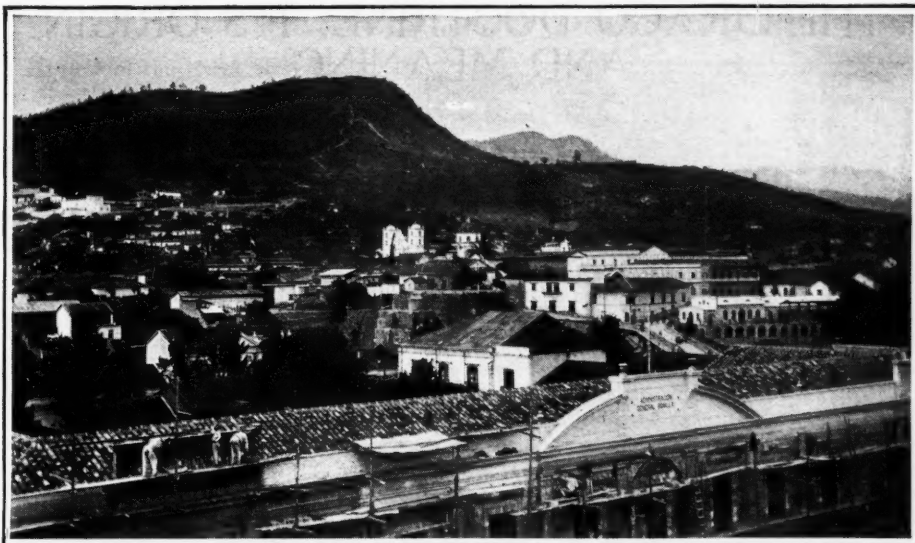
In 1902, with the object of laying a foundation for better relations, the five republics entered into mutual treaty engagements. These, however, did not prevent the outbreak of a bitter war in which Mexico and the United States jointly intervened, and in 1907 brought about the Central American conference at Washington. In the treaty at that time signed all the states pledged themselves to refrain from meddling in one another's affairs. This agreement succeeded little better than the former one in preventing war, but it is conceded that it did have some restraining effect. Meanwhile, a Central American Bureau was created by this conference, and has done good service in collecting and disseminating commercial information and in fostering international coöperation. The attempt to found the Central American Court of Justice, to which the states agreed to refer all disputes, fell short of the expectations of its founders. The Court ceased to exist in 1918 when the treaty limit expired.

For the protection of the lives and property of Americans the United States intervened in Nicaragua during the administra-

tion of Zelaya in 1909. American marines were sent there in considerable numbers, and the country has never been entirely free from our military occupancy during the past twelve years. Treaties negotiated between our own Government and Nicaragua have failed of ratification in the United States Senate. In 1916, however, a treaty was negotiated giving to the United States the canal concession and ninety-nine years' lease of the Corn Islands and the naval base in the Gulf of Fonseca, in return for \$3,000,000. In this form the treaty was ratified by the Senate, with an amendment providing that, in view of the protests of Costa Rica, Salvador, and Honduras against the pact, ratification was given with the express understanding that nothing in the agreement was intended to affect any existing right of the three states mentioned. This is what is known as the Bryan-Chamorro Treaty. This amendment was far from satisfactory to the three states named, which maintained that the agreement violated the Treaty of Peace and Amity made at Washington in 1907. When the four other states united in forming the new confederation Nicaragua refused to join, giving as the reason her rights and obligations under the Bryan-Chamorro Treaty. Nicaragua withdrew her delegates from the conference. As to the present situation in Central America, Miss Williams says:

Obviously, the crux of the question is the clause of the treaty giving the United States the exclusive privilege of building a canal. Whenever the United States may decide to make use of her right, another treaty, providing for the payment of many millions of dollars to some power in Central America, will, of course, be necessary; and Nicaragua desires to insure the safe delivery of this fortune to her own coffers. With the matter left indefinite, the money might have to be divided up with Costa Rica—who would certainly be entitled to compensation should the San Juan, the only practicable route, be decided upon—or be paid largely into the common Central American treasury. The Nicaraguan authorities would probably have been satisfied with the reservation of the right later to negotiate independently with the United States with reference to the canal, but this would be disastrous to union and so not satisfactory to the other states.

But from the first the Nicaraguan officials, who were well aware of the benefits to be derived from union, were inclined to be conciliatory, and the hearty approval of the union expressed by our Secretary of State, Mr. Hughes, at a dinner given in honor of the Nicaraguan Minister at Washington, doubtless greatly reinforced the inclination to come to terms with the other states. Hence, on



Pan-American Union

VIEW OF TEGUCIGALPA, HONDURAS, THE CAPITAL OF THE CENTRAL AMERICAN FEDERATION

(The city is 3500 feet above sea-level and has an average temperature of 74 degrees)

July 3, last, the newly formed Central American Council was pleasantly surprised by a request from Nicaragua for a statement of terms which might serve as a basis for negotiations looking toward Nicaragua's participation in the union.

Meanwhile, the new federation has gone ahead without Nicaragua, and a preliminary agreement has been drawn up providing for a federation of autonomous states, with legislative, executive and judicial departments which shall have their seat in a federal district to be created. The place of meeting for the time being is Tegucigalpa, Honduras. The new constitution stipulates that there shall be an executive council, similar to that of Switzerland. The members of this council are to be elected for five years, and shall choose from their number a president, whose term is limited to one year, with prohibition against immediate reeligibility.

The importance of recent developments on the Isthmus becomes manifest only when it is realized that the completed federation will be fifth in population among the independent nations of the Western World; and yet, as compared with England—which has but two-sevenths as large an area with seven times the population—it is an empty country. The establishment of peace and financial security will surely invite a great flood of immigration, for in natural resources Central America is one of the richest regions in the world, and her proximity to the Panama Canal affords her tremendous commercial advantages.

In the September *Bulletin* of the Pan-American Union (Washington, D. C.)

Professor Isaac J. Cox, of Northwestern University, gives an account of the movements for independence in Central America. He says:

Central America is a neglected portion of the historical field, but some local writers have demonstrated that its history will repay careful research. Their work shows that it is worth while to study how Spain's administrative units became the republics of a later period. They also point out the significant features that brought about the separation of the area from Spain. No great battles marked the achievement of independence a century ago, but the occasion does not thereby lack dramatic incident, nor are its data valueless for the student of comparative history.

Despite the remoteness of the region, its people received some impulse from the French Revolution. A few of its literary men were influenced by the prevalent French political philosophy and had heard distorted accounts of the successful revolt of the English colonies, of Miranda's defeat in Venezuela, and of the repulse of the British before Buenos Aires. A knowledge of these facts was calculated to disturb official equanimity when Napoleon's intervention in Spain fired these smoldering influences. The first effects in Guatemala, as elsewhere, revealed themselves in an intensified loyalty on the part of all classes to the Bourbon monarchy. Apparently none of Napoleon's agents actually reached the remote captaincy-general. Its population, therefore, caused little anxiety to the Regency or to the Cortes that successively attempted in the name of Ferdinand VII to rule both the Peninsula and the colonies.

These governing bodies had perforce to make concessions to the colonies, and to alter administrative units, so as to stimulate contributions.

THE DRAGO DOCTRINE: ITS ORIGIN AND MEANING

THE recent death of Dr. Luis M. Drago, the Argentine statesman and jurist, has tended to revive discussion of the famous formula which was promulgated nearly twenty years ago as the Latin-American counterpart of our own Monroe Doctrine. In the *Pan-American Magazine* (New York) for July there is a brief account by Christina M. Wharton of the circumstance which led to the Drago note of 1902.

Dr. Drago, who was born at Buenos Aires in 1859, had been a judge of both civil and criminal courts and Solicitor General in La Plata. In 1902 he was elected Senator, but almost immediately appointed Minister of Foreign Affairs during the Presidency of General Roca. About that time England, Italy, and Germany undertook to compel Venezuela to pay the service of her national debt. The ports of Venezuela were bombarded by an allied squadron belonging to the three nations mentioned, and this proceeding caused intense excitement throughout South America. In December, 1902, Dr. Drago, as Minister of Foreign Affairs, addressed a letter to the American Minister at Washington on the subject of the allied intervention in Venezuela. In the course of this letter he said:

The collection of loans by military means implies the occupation of territory so as to enforce payment; and the occupation of territory implies the suppression or the subordination of the local government of the territory thus occupied.

Such a state of affairs is evidently opposed to the principles which have often been proclaimed by the nations of America, and more especially to the Monroe Doctrine, so zealously maintained and defended, at all times, by the United States, and to which the Argentine Republic has adhered on former occasions.

We do not, by any means, wish to imply that the South American nations are to be exempted, for any reason, from any of the responsibilities which must be incurred by any civilized nation which violates the principles of international law. We do not claim, nor could we claim, that these countries should occupy an exceptional position, in their relations with European countries, which are undoubtedly entitled to protect their subjects as efficiently here as in any other part of the world, against any persecution or injustice to which they may be subjected. All that the Argentine Republic maintains, and would be very glad to see maintained, in connection with what has happened in Venezuela, by a nation which, like the United States, enjoys such power and prestige, is the already accepted principle that there can be no expansion, on the part of Europe, in Amer-

ica, nor any oppression of the people of this continent, due to the fact of an unfortunate financial situation compelling any of them to defer the fulfilment of their undertakings. In a word: the principle that the Argentine Republic would like to see recognized is to the effect that a government debt cannot give rise to armed intervention, and much less to an occupation, by a European power, of territory belonging to an American nation.

The loss of prestige and discredit incurred by states which fail to meet the obligations which they have incurred with lawful creditors gives rise to difficulties of such magnitude that there is no occasion for a foreign intervention to oppress the country, and increase the transient calamities of its insolvency.

To show how unnecessary is armed intervention in such cases, Dr. Drago cites the history of the Argentine Republic, which spontaneously resumed the service of the British loan granted in the year 1824 after an interruption which lasted thirty years, and which was caused by the anarchy and unrest which disturbed the country during that period. All back debts and all interest were scrupulously paid without the creditors having taken any steps whatsoever. At a later time the Argentine Government was obliged to spend once more the service of her foreign debt, but she resumed payment a short time afterward at a great sacrifice, but of her own free will, without intervention or threats on the part of any foreign government. Dr. Drago mentioned these circumstances for the purpose of making it clear that his government was not at that time (1902) actuated by any selfish feeling or consulting its own interests in stating its wish that a country's foreign debt should not serve as a pretext for military aggression.

The Hague Conference of 1907 accepted almost unanimously the Drago Doctrine. In 1905 it was applied in the case of Santo Domingo and later on in Central America.

In 1909 Great Britain and the United States named Dr. Drago as arbitrator in the matter of the long-standing Atlantic fisheries dispute. The court of arbitration met at The Hague in 1910, and its deliberations lasted for a year and a half. The award was well received by both nations.

The Carnegie Endowment for International Peace, recognizing Dr. Drago as the most eminent exponent of intellectual culture in South America, invited him to visit the United States.

AIRPLANE VERSUS BATTLESHIP

IN view of the recent controversy as to the respective merits of the airplane and the battleship, and as to which will hold the ascendancy in the wars of the future, an article of interest and value has appeared in the *New York Times*. It was written by the Hon. Frederick C. Hicks, Congressman from New York and chairman of the Naval sub-committee on aviation. This gentleman was one of the observers of the recent tests off the Virginia Capes, in which the former German warships *Frankfurt* and *Ostfriesland* were sunk by American aircraft.

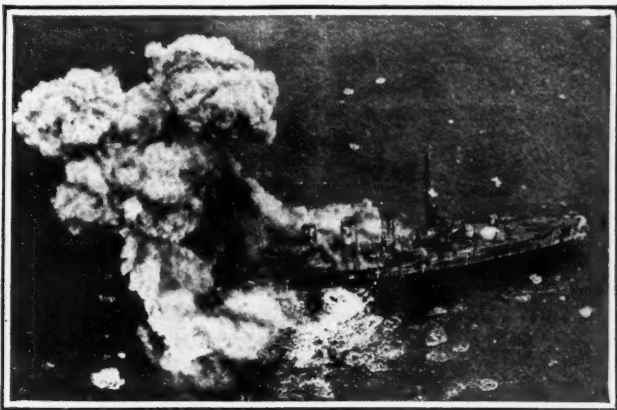
The *Frankfurt* was sunk by a 600-pound bomb after a seven-hour bombardment of missiles ranging in size from 250 to 600 pounds. The final bomb struck a few feet from her starboard side, wrenching open the seams of the vessel by the concussion, and thirty minutes later she went down. The *Ostfriesland* was destroyed by a 2000-pound bomb exploding close to her stern on the port side. The vessel sank within twenty-five minutes. The final shot was the sixth bomb dropped from the planes.

This feat yielded some evidence on the question as to whether the expensive, unwieldy dreadnought of the present day is growing obsolete before the rapid and deadly maneuverings of airplanes carrying high explosives. Mr. Hicks discusses the problem from both sides, but seems rather to favor the airplane as the weapon of the future.

The reader is reminded that in our March issue we printed the views of Brigadier-General Mitchell on this subject. General Mitchell has been the foremost believer in the supremacy of the airplane over the battleship, and as a result of his arguments and convictions the tests were held.

To refute those who claim that no changes should be made in our naval program in spite of these remarkable tests, the writer quotes Admiral Percy Scott and Lord Fisher, both of the British navy, who claim that the future lies with the airplane and that it tends to revolutionize naval warfare. Such able testimony should not be ignored.

The writer admits, however, that all



THE FORMER GERMAN BATTLESHIP "FRANKFURT" AS A TARGET FOR AIRPLANE BOMBS IN THE OFFICIAL NAVY TESTS

advantages lay with the airplanes during the recent tests. He says:

In all fairness, it should be stated that in the tests—which ostensibly were to demonstrate the effect of heavy bombs on armored decks and steel plating—advantage lay with the attacking force. The battleship was merely a mark; a stationary, inert, defenseless target, over which the airplanes maneuvered without fear of punishment or derangement of sights. The weather conditions were perfect. No limit prescribed the altitude at which the planes were to operate; no smoke screen obscured their vision; no anti-aircraft guns challenged their approach; no enemy pursuit planes disputed their control of the air. It would, of course, be impossible for these conditions to prevail in wartime.

Yet, no matter from which angle the argument against aviation may be presented or reasons advanced for the destruction of the vessels, the fact remains that ships were sunk by bombs dropped from airplanes operating eighty miles out at sea. And they were sunk in an incredibly short space of time after the heavy bombs were brought into play. The aviation enthusiasts claim they can repeat the performance irrespective of the movement or gunfire of the target, and that with improved sights and heavier bombs no battleship can survive their attack.

While the German battleships were unable to be maneuvered and had no means of defense, the dangers of an exploding magazine were eliminated by the absence of any armament aboard. Also, in actual warfare a ship may be put out of action by demoralization of the crew, or by injury to the fire-control or operating systems. Gas bombs would hamper the crew of a war vessel seriously and would add much to the general demoralization caused by an airplane attack.

Congressman Hicks, writing both as a student and an observer of the tests, sums up his conclusions as follows:

First: Aircraft is a weapon of such great value that it warrants a general expansion of the service, both in types and numbers of the planes, and also in aviation ordnance. Airplane housing ships should also be constructed for the carrying and maintenance of the planes.

Second: Airplanes are indispensable for coast defense. The preponderance of strength would naturally rest with the defense, and the attack would be carried 75 or 100 miles farther out to sea. The opposing fleet would thus be placed at a serious disadvantage.

Third: Heavy bombs should be employed from the very outset, except in special cases. By using large bombs and armor-piercing shells, aircraft are placed in the same position as the heavy-gun, single-calibre dread-

noughts. Big guns and big bombs go together.

Fourth: Underwater hits are more deadly than direct hits on the decks. Aviation has always claimed that the target is the zone within which damage will be inflicted, and is not confined to the actual structure. The damage caused by explosions beneath the water has been proved more deadly by the recent tests.

Fifth: Surface craft must be provided with better means of protection from both explosive and gas bombs. Aviation is in its infancy. Battleship construction is the climax of a century of development. The margin of progress undoubtedly lies with the newer service. Our building programs should be adjusted to the great lessons learned from the sinking of the *Frankfurt* and the *Ostfriesland*. The potential value of aviation is very great, and its development will constantly continue with the future.

GERMANY'S POTENTIAL AIR FORCE

IN the *Mercur de France* for August 15, M. Jean Orthlieb writes at length on the "German Aerial Menace."

Article 198 of the Versailles Treaty reads: "Germany's military forces must not include any military or naval aviation. No dirigible balloon shall be preserved." But, says the writer, the machinery and means of production remain essentially intact in Germany. A nominally civilian and commercial aerial fleet can be easily metamorphosed. The complete surrender required, and promised, has never been fully carried out nor honestly undertaken.

From German sources, available since the war closed, a detailed account is given of the remarkable gradual progress during the period of hostilities and the varying preponderance of force on either side. France was throughout greatly in advance of all her allies and, as a rule, nearly on a par with Germany.

The immense stimulus given by the war to aerial invention is illustrated by an interesting table showing the progress in construction of dirigibles on the German side. They rise from a maximum of 28,000 cubic yards to 135,000, from 600 to 2600 horse-power, from 10 to 90 tons of ammunition carried, in speed from 37½ to 105 miles per hour, and, in elevation attainable,

from 1½ to 5 miles! The latest step in this ascending series was, to be sure, a balloon not actually completed and in service when the German armies so suddenly collapsed.

It is of especial interest, though certainly not a matter of national pride for ourselves, to note that when the strife ended, the Germans had in use 2600 planes against 3400 in French hands, 2100 in English, and 700 in American (*these latter being of French construction*). The tale of the "missing" on each side is nearly as large as that of the known dead.

The author's main purpose is by no means statistical or historical. Chronicling the renewed bombing of London so late as May, 1918, he remarks:

It seems dangerous to forget such lessons. He who holds to the belief that at the present day a mountain chain, an arm of the sea, or even an ocean, assures protection, cherishes a most perilous delusion. Those who are separated from Germany merely by a river or a frontier line are not the only ones who should dread her. It is her aspiration to undeceive all optimists.

The tone is grown familiar of late. It should be noted that we Americans are not forgotten whenever "perfid Albion" gets her warning.

The writer calls attention to the societies

of old veterans, sporting clubs, and various other organizations that are avowedly keeping up the interest in flying. The factories, also, that have so easily turned to making harmless bathtubs or casseroles can easily be again metamorphosed. There were 10,000 able-bodied and experienced German fliers when the armistice befell. "Steel and coal are abundant, especially if Upper Silesia is retained. . . . The only problem is fuel, and that can probably be supplied by chemical invention or through friendly commerce with Russia, Scandinavia, Austria, and Switzerland."

The only safety, to the writer's mind, is the complete prohibition of aerial navigation or construction. Even the building of planes for an allied or associated power might well become a subterfuge. The secret construction of an air fleet for Germany elsewhere can hardly be prevented. The prohibition should be effective for a term of years, and until Germany shall have made adequate atonement and shown unmistakable evidence of repentance. Then, in the more probable event of war, her armies will be completely blinded. But, also, the cordon should be permanently held at the Rhine and even extended seventy miles into Germany (to include, for example, the Black Forest) so as to give her no less full protection.

A digression as to our treaties of alliance has no place in this study. Suffice it to note that Germany is in touch with us, whereas England, and especially America, are already much farther away.

Even now the secret appropriation by the German Government for irregular purposes like aviation can be described, camouflaged "like everything else in Germany," when the army of defense, limited to 100,000 men, is reckoned as costing 70,000 to 100,000 marks per man.

Especially disturbing to the writer's soul are two powerful aerial navigation companies in Bremen and Hamburg, closely allied with the North German Lloyd and the Hamburg-American Line, and financed by the *Deutsche Bank*. They are regarded as an effort to assure German power throughout the world by such a network as were of old the two great Atlantic steamship companies, the German Levantine line, the Bagdad railway, and so forth. It is noted with apprehension that negotiations with Holland, even with Italy, are already in progress.

The whole tone of the article echoes that of a recent discussion of the Silesian problem which demanded a strong and prosperous Poland as the only ally on which France could really depend, and her sole hope in an imminent war of German revenge.

COÖPERATION AS VIEWED FROM THE ARGENTINE

TO present a comprehensive statement of "free coöperation" throughout the world the editors of *La Revista de Ciencias Económicas* (Buenos Aires) requested the collaboration of a number of eminent men "of all tendencies": the result is an informative collection of data and opinion that gives a clear outline of the entire subject from every standpoint. We believe the readers of the REVIEW OF REVIEWS will be interested in a brief review of this report, stressing the Argentine aspect.

Just what is this "free coöperation" that has attracted more than 150,000,000 members throughout the civilized world? Señor J. B. Justo (author of a plan to control co-operative societies in the Argentine, presented to the Chamber of Deputies in September, 1915) tells us that it is the free economic

union of workers for mutual help; both in consumption and production. The movement is active all over Europe, Great Britain leading—with a membership of over four million.

One of the questions that has arisen in the successful operation of such societies is the compensation to be paid employees; labor unions have demanded certain standards, but it has been found best to give moderate pay, as competition must be upheld with capitalistic concerns. It is noted that there has been very little dishonesty among employees—losses from theft, etc., being almost unknown.

To the enormous blocks of private capital it opposes the agglomeration of innumerable small holders, reinforced by the voluntary solidarity of the consuming mass. . . . Coöperative accumulation (of capital) is to produce useful articles, not to produce profit.

The French economist Charles Gide, considers that the virtues of coöperation lie in its tendency to:

(1) Better standard of living, (2) cash payments, (3) economy without effort, (4) simplify business relations, (5) combat the power of saloons, (6) win the interest of women to social questions, (7) emancipate the common people by education, (8) make property ownership possible to all, (9) reconstruct a collective property, (10) establish just prices, (11) suppress the preoccupation of gain, (12) abolition of conflicts.

The enemies of coöperation are, says M. Gide, composed of the following groups:

(1) Exterior enemies, consisting in part of women in general, cooks, and other domestics accustomed to commissions from storekeepers, and saloon-keepers; (2) interior enemies, those who (a) desire to profit largely through large dividends, (b) those who wish to speculate, (c) those who purchase at the coöperative store only when the prices there are lower than elsewhere, (d) the individuals who purchase large quantities of articles sold very cheap in order to resell them, and finally (e) the victims of individualistic greed.

The agricultural coöperative association in the Argentine is particularly necessary, says Señor N. Repetto (author of a projected law for agricultural coöperation in the National Chamber of Deputies). After analyzing the reasons for centralization of population in large cities he goes on to give authorities who have found the remedy lies in the abolition of the present holding of land by large owners and migratory labor. The farmers should be furnished with State aid so they may buy proper farm implements, he states. The low standard of living among the small Argentine farmers prevents successful running of coöperative societies today, though they flourish in Europe, North America, and Australia among similar classes. During 1914, 73 coöperative societies functioned in the Argentine—30 were "mixed" (bought and sold articles). There were 22,351 members, with a capital of \$6,099,501 (pesos); the total of operations (omitting 14 societies, which sent no figures) was \$11,819,006.

Señor M. T. Lopez considers the subject from an ethical point of view. He comes to the conclusion that coöperation is a strong force for justice, morality, education, altruism, emancipation, democracy, equality, health, defense of both consumer and producer. The existing 200 societies in the Argentine will form the basis of a great social improvement; progress in this way does not require great struggles, great sacrifices—it

only requires constancy, method, honesty, and coöperation.

The most successful society in the Argentine is "*El Hogar Obrero*" (The Workman's Hearth), of Buenos Aires, which, founded in 1905, began operations in 1907. It is an institution, says Señor R. Bogliolo, of edification and credit. Its primary object was to facilitate the purchase of homes (as its name shows). The war and recent abnormal building conditions have prevented a rapid growth in that direction since 1914. It has been the inspiration of the coöperative movement in the Argentine. Señor Bogliolo believes that in coöperation lies the remedy of many modern evils, both in his own and other countries.

Señor M. Schulze made a careful study of prices, comparing those of the *Hogar Obrero* with those in force in the general market. In the period between 1914 and 1920, inclusive, he found that the *Hogar Obrero* in 1915 sold 55 articles 15 per cent. below current prices; in 1917, 15 articles 14.60 per cent. lower; and in November, 1920, 34 articles were 17 per cent. lower. This gave an average of 15.53 per cent. in favor of the coöperative members. During the same period the members received an average dividend of 2.67 per cent.; in 1915 over 2 per cent.; in June, 1917, 2 per cent.; and November, 1920, 3 per cent. These figures were based on the consumption of a family of four (two adults and two minors), including 53 articles of food. This proves that coöperation can ameliorate, if it cannot wholly cure, the high cost of living.

Señor E. Lahitte has carefully analyzed the proposed special law for agricultural coöperation, which was approved by the Coöperative Congress in November, 1919. In addition to general laws covering coöperative associations, it is proposed that the Bank of the Nation discount or rediscount notes of the members of such associations, no expenses to be charged for this service. Ground for grain elevators on railroad property is to be given free of charge to the members. Members must necessarily be farmers or graziers (either proprietors, lessees, or part owners). Persons owning a business or acting as agents for others should be refused membership.

Throughout this article it is urged that no financial aid be given general coöperative societies by the Government; the agricultural societies need such encouragement, and it is to the common interest that people be induced to go back to the land, especially in the Argentine.

OUR SINS IN "PUBLICITY'S" NAME

"FRENCHMEN who do not understand the American newspaper get excited over finding from time to time articles or despatches that wound their national pride, and seem to menace the future of Franco-American friendship," begins M. G. Hanet-Archambault in the *Mercur de France* of August 1st. "There is no need of taking these things in tragic earnest. It is well to study the situation before one acts." The explanation, and the key to the whole development of our journalism, is summed up in the title: "Publicity" in America."

The author quotes, repeatedly, published utterances of Capt. Samuel T. Moore, ex-aviator and correspondent of the Associated Press, who illustrates thus the most mercenary phase of this new art: "A publicity house in Chicago has just accepted a contract to raise a hundred million dollars for a European country in distress: their commission will be 40 per cent." The Congressman who loses his reelection, and publishes widely gratis, through the *Congressional Record*, his new law partnership and place of business, is a more harmless and amusing illustration. The elaborate staging in a New York City hotel of the arrival of a party of nine Turks, bent on recapturing the lovely "Maid of Stamboul," all merely an "ad" for the newest movie melodrama, is described with graphic detail.

Quite a similar method was also used for so meritorious a cause as the Red Cross. Here the arrival in "Stamboul" of a live Russian princess, devoted to the discovery and rescue of an American war-hero and prisoner, is such a clever mixture of appealing romance, moderately fresh news, and loud trumpeting of the efficient aid everywhere given her by the U. S. A. Red Cross, that no newspaper can refuse to print it.

And none of these are regular paid advertisements. The aim is always higher, at the "reading notice," the news columns, or even the editorial page.

Everybody is in quest of it: cabinet ministers and administrations, political parties and private citizens, ironmasters and contractors, theaters and hotels, railroads and novelty shops, sportsmen's clubs and religious sects.

A still blither view of ourselves as others see us is afforded in describing how far the up-to-date newspaper has strayed from its original function of gathering news and

commenting editorially upon it. Gradually the effort to render the most direct special service to each reader has developed. Special departments undertake, through the columns of the paper or by private letters, "to give advice on legal questions, hygiene and medicine, to furnish sporting, financial, literary, musical, artistic and even religious, information, to advise as to travelers' tours, agriculture, sewing and a thousand other topics." Nowadays a modern newspaper publishes sermons and prayers, cooking recipes, beautifying devices, jokes and caricatures. One is told what orator or preacher to hear, what play to see, what book to skim through, what securities to buy, what picture to admire, what form of sport to follow, what misery to aid. "The daily paper is the universal adviser."

A Frenchman will probably think his author has caught the familiar Yankee habits of exaggeration and extravagant humor. Even Benjamin Franklin redivivus would be almost startled to see the complete natural developments from the *Pennsylvania Gazette* and "Poor Richard's Almanac." With a somewhat uneasy laugh, we shall have to confess that the sketch can be criticized only as incomplete.

It is remarked that of the forty daily papers of Chicago only twelve are in English. The majority are German, Bohemian, Polish, Yiddish, Italian, Hungarian, Slovenian, Slovak, Lithuanian—but not one in French. (The curious fact might be added that there is not a Portuguese publication, daily, weekly, or monthly, discoverable in New York City itself.) "There are in the United States 23,000 newspapers, published weekly or oftener, but only 2,500 are dailies. Before the war, a single issue might reach 100 pages. The average business man devours three or four per day, besides the two or three received at his home."

The whole article is full of homely instruction as to a giant that, "familiar grown," threatens to swallow up the true reading habit, the consultation of accurate books of reference, the storing of the mind with the best thoughts and utterances of wisest men, in short, all leisurely culture, and deliberate thought. Yet there is comfort in the reiterated assurance that it is all an instinctive effort to meet the ever-growing demand for prompt, practical, personal service.

THE RETIRING CHIEF OF THE CHILDREN'S BUREAU

AN article in the *Survey* (New York) for September 1, entitled a "Great Public Servant," pays a remarkable tribute to the administration of Miss Julia Clifford Lathrop as head of the Federal Children's Bureau at Washington. The writer, Mr. William L. Chenery, recalls the fact that during the last year of the Taft Administration, Miss Lathrop went to Washington to assume direction of "what might easily have become an insignificant agency of petty reform." He declares that the office and organization which she now leaves, "measured by far-sighted purpose, instinctive loyalty to democracy, and capacity to achieve, are almost without parallel in Washington."

Of the first, and perhaps the most important work that was undertaken by the Children's Bureau, namely, a study of infant mortality, the *Survey* article says:

When Miss Lathrop directed the bureau's efforts into that field some good citizens imagined that she had abandoned her faith as a social reformer for the subtleties of statistical research. A commonplace official would have tripped into that pit. Not so with the first chief of the Children's Bureau. Her reports were dry only to the dull. Infant mortality was studied with the immaculate passion of pure science. But the inquiries were not arrows loosed at random into the darkness of mortuary facts. On the contrary they were aimed at discovering important human relationships. When completed they made apparent conditions and tendencies of primary importance to the entire nation.

The Children's Bureau sought to ascertain the facts concerning the wastage of infant life. In that pursuit a veritable unknown land was charted. The bureau grappled with poverty and ignorance and social maladjustment. The conclusions reported were appalling, but they were curative. Miss Lathrop discovered that the babies of the very poor perish with amazing rapidity. Her investigators returned with the information that one child out of every four born to families where the father's earnings were \$10 or less a week died within twelve months. But families



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MISS JULIA C. LATHROP
(First Chief of the Children's Bureau)

whose income approached in the pre-war days \$100 a month lost only one in twelve. Community after community revealed similar conditions. In time a social principle as absolute as mathematical logic began to emerge.

Miss Lathrop told the American people that the lives of tens of thousands of children were being sacrificed to poverty. The full import of that truth has not yet sunk into the minds and the hearts of the millions of men and women in

whose judgment lies the destiny of this republic. But the message came back once and again. Calmly, dispassionately, with the detachment of the scientist the word was uttered. The findings did not stop there. The death of children was studied in connection with other social and economic facts. Congestion, housing, sanitation, the employment of mothers before and after their babies were born were studied in their relationship to this cardinal fact of infant mortality.

Under Miss Lathrop's direction the campaigns conducted by the Bureau to enable women better to care for their children have been wonderfully successful. At one time it was reported that 8,000,000 American women were working with the Bureau, weighing and measuring babies. The Bureau may, in fact, be fairly described as an educational institution. It has done much to make knowledge available to the people and to induce the people to act in accordance with that knowledge.

Besides this work in the educational field, the Children's Bureau was given responsibility for the enforcement of the first Federal Child Labor Law. Miss Grace Abbott, who now succeeds Miss Lathrop, was placed in charge of the operation of the law.

Miss Abbott had already won distinction as an authority on immigration and as a practical reformer in that field. Under her lieutenantancy the Children's Bureau gave an admirable example of intelligence and vigorous law enforcement. The bitterness of the feeling of many Southern textile mill operators against the women who were the agents of the nation in the protection of young people against premature labor is one measure of the thoroughness of the service rendered.



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MISS GRACE ABBOTT
(Successor to Miss Lathrop as head of the Bureau)

THE SOUTH CHINA GOVERNMENT

CHINA has been invited to participate in the international conference which President Harding called to meet at Washington on November 11; for the scope of that conference will include Far Eastern readjustments. One unlooked-for result of China's new prominence is a realization by the rest of the world that the Peking government is not in entire control of affairs at home. There is a government of South China, with a President and a parliament at Canton, which not only dominates several southern provinces, but claims—absurdly, as yet—to be the real government of all China.

Some idea of the present strength of this Canton government, and its justification for existence, is given in a frankly sympathetic article by Philip Haddon printed in the *Weekly Review of the Far East*, an American publication in Shanghai. It should be remembered that the Republic of China is only ten years old, and that the old monarchical despotism was overthrown chiefly by the southern and Yangtze provinces. But Mr. Haddon asserts that:

Actually China has only been masquerading under the name of a republic. Her real form of government has been an oligarchy. The real rulers of China have been a set of military officials. Each warlord had his own personal army and thereby controlled absolutely all the affairs in his province, administering his own idea of justice, imposing and collecting new taxes, "squeezing" the people, and imposing the death penalty at will. Combinations of these military governors or warlords become so powerful that they openly defied Peking and made a mockery of it.

Is it a wonder, then, he asks, that a section of the country should endeavor to throw off the yoke of despotism and set up a new government founded on justice and in conformity with the country's constitution? In 1917 a number of the most progressive and far-seeing Chinese gathered at Canton and set up a new government. A majority of the members of the old Peking parliament, which had been illegally prorogued, resumed sittings at Canton.

But things began to go wrong. Militarists proved to be as bad in the South as in the North, and they seized control. Public property was sold, taxes were collected in advance, and

dishonest officials became millionaires. The chief offenders were from Kwangsi province. In October, a year ago, a new military uprising overthrew the grafters, and true constitutionalist leaders were invited to return. On May 5 Dr. Sun Yat-sen was inaugurated President by the southern parliament. Ten years earlier he had been chosen President, after the first revolution, but he then withdrew in favor of Yuan Shih-kai and in the interest of harmony.

The Canton government, according to Mr. Haddon, does not aim to break away from the northern provinces, and form an independent republic. It believes in a united China, free from government by militarism and lawlessness; and it believes that sooner or later the northern government will collapse through its own corruption. Meanwhile, Mr. Haddon declares the South is now being governed by the most advanced Chinese, a considerable number of whom are returned students or business men, who have seen the benefits of honest modern democratic government abroad.

Politically the southern government controls the following provinces: Kwangtung, Yunnan, Kweichow, and part of Shensi.



WHERE THE CANTON GOVERNMENT IS IN CONTROL

(Besides the provinces of Kwangtung, Yunnan, and Kweichow—which are shaded on the above map—the Government of South China claims part of Shensi. The provinces of Hunan and Szechwan have declared themselves neutral.)

Hunan and Szechwan have declared themselves to be neutral. Its chief opponents, as listed by Mr. Haddon, are: Kwangsi province, the Peking government, and the British officials at Hongkong. The most pressing problem confronting the Canton government—aside from an impending invasion by Kwangsi militarists—is that of finance.

The achievements of this government of South China are summarized as follows: Gambling prohibited and actually stopped; local self-government established in Canton

and extended throughout Kwangtung; two or three times as much money spent for education as formerly; boy-scout and good-roads movements encouraged; troops now subject to civil government; medical practice regulated, and sanitary measures initiated.

Mr. Haddon declares that all the southerners desire from outsiders is sympathy and moral support. If by evil chance they fail in their fight, the movement of democracy in China will be set back for several generations.

FAMINE IN RUSSIA—BY A RUSSIAN

ALTHOUGH famine and pestilence are not unusual in Russia, where they appear periodically, the present far exceed the limits of past catastrophes, says Mr. E. Lazareff, writing in the *Volia Rossii* (Prague). He goes on:

The present famine in Russia . . . has no precedents in the history of the human race. In the ancient and middle ages there were pestilence, famine, inundations, and earthquakes, but all those calamities had a local character: the world itself was then "small" and the causes of the calamities were either in unconquerable elemental forces, or in the universal ignorance, the absence of ways of communication and other links between nations—in the lack of culture and civilization.

But now the situation of starving Russia is different. The famine occurs in a country which occupies one-seventh of the globe's surface, with a population of one hundred and fifty million; in agricultural Russia, which even in the days of the Czar was known as the granary of Europe; in a country which possesses unlimited natural resources, without which the development and growth of culture and civilization of the other nations is impossible. The famine occurs in the first quarter of the twentieth century, when scientific and technical progress has made man a semi-god, in the age of railroads and aeroplanes, submarines and wireless telegraphy. The famine occurs, not in the land of the Pharaohs or their contemporaries, not in the land of the Zulus or Hottentots, but in the very communistic state with the Soviet government at its head, which, in its realization of a paradise on earth, has gone far beyond the most unbridled fancies of utopians of all times, all countries and all nations.

A serious famine broke out in Russia about fifty years ago, "in those remote but more bourgeois times":

I remember the terrible "Samara famine" of 1873, which hit my native Samara province. I personally witnessed the sufferings of the hungry population. Those sufferings were not caused by lack of grain in other provinces of Russia, but by the unwillingness on the part of the Czar's government to admit the existence of famine at

once and permit the organization of public relief. The governor and the local authorities denied the existence of famine, explaining the great mortality among the population by "bad crops." But when, under pressure of public opinion, they began to establish public kitchens in the starving villages and towns, the police barred from participation in the relief work the entire *intelligentsia* and university students, fearing their political unreliability and propaganda of their ideas among the peasantry. The relief funds and contributions were placed at the disposal of "reliable" thieves and embezzlers.

A still worse famine occurred about twenty years later. The writer continues:

I remember the more terrible famine of 1891, which embraced much larger sections of Russia, and when, as now, whole villages left their homes and walked or rode to the more fortunate provinces. They died by the thousands from hunger and various diseases. Typhus, cholera, even plague, all are familiar guests in Russia.

The United States helped the starving Russians at that time:

That movement in the United States for the relief of the famine sufferers, as is known, led to the sending of three steamers laden with grain, which was safely and quickly transported and placed at the disposal of the Russian authorities. I was convinced at that time that the relief from America would have been many times greater if the contributors had been allowed to control the distribution of the grain. But all efforts in that direction were in vain. The policy of every despotism has its iron logic—to be guided first of all by the instinct of self-preservation.

Touching upon the present famine, Mr. Lazareff writes:

Various Soviet authorities place the number of famine sufferers at from twenty to thirty million. But it must be taken into consideration that, according to the last official census, the population of Soviet Russia now reaches almost one hundred and forty million people. If we are to exclude from this number 600,000 members of the Communist party and even about a million of soldiers



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A FARM VILLAGE IN THE RUSSIAN CAUCASUS, WHERE SUFFERING FROM THE FAMINE IS ACUTE

(These villages are threatened by epidemic disease, which so often follows hunger)

of the Red army, who are getting rations sufficient for their need, the remainder of the population during the last few years has been starving, unclothed, and unshod. They have to be not only fed; they must be clothed and shod.

But to feed and clothe the population of Russia is not enough. Feeding does not solve the problem. It is necessary to feed and clothe productively—that is, in such a manner that it should result in the regeneration of local production and self-sustenance. It is necessary to raise the productive forces of the country. It is necessary to enable them to cultivate their fields and supply them with seed, to furnish to the peasants agricultural implements, to repair the railroads, to bring locomotives, and at least freight cars. For without all that there will be in 1922 a still greater catastrophe than this year.

That is how the problem is regarded by America, in the person of its experienced organizer, Herbert Hoover, and by the Czechoslovak Republic.

The Russian famine is an international calamity. Not only the Russian emigrants and half-hungry refugees cannot cope with it, but even the richest and most powerful country in the world cannot deal effectively with it alone.

The Russian famine is an international problem. This must be the starting point for the domestic and foreign policy of all countries. It is not simply a problem of famine, but of the restoration and the organization of the international economy. The question is, How much more time and new suffering will be required in order to convince unhappy humanity: the governments, the bourgeoisie and the working people?

The Russian people are helpless now and cannot save themselves without international help; they have ceased being a great organized nation.

They are crushed, scattered; they have lost themselves. Many politicians think that the impotence of the Russian people will strengthen other nations. That is the root of the error. A great federated democratic Russia is necessary to all nations. For only democratically organized Russia can create a healthy national economy—the production and exchange with other nations. Only through the restoration of democratic Russia and her economy will the international economy be restored: the ruinous unemployment and the terrible economic crisis consequent therefrom will then disappear. Therefore, international measures against famine in Russia and the restoration of her productive forces are dictated by the economic interests of all industrial countries of Europe and America.

The famine in Russia must be overcome as soon as possible; the fields in Russia must be cultivated and corn planted this year. People and cattle are dying by the thousands there. Epidemic diseases are spreading. Cholera, typhus, plague, and other deadly diseases are making their way to Western Europe across all barriers: neither police nor military cordons will stop them.

Mr. Lazareff urges all countries to join in Russian relief:

It is true that all countries are sufficiently exhausted by the world war. But in the first place, the struggle against the Russian famine, in comparison with the world war, is an insignificant enterprise. Secondly, in this struggle against famine all the nations of the whole world can and must join and unite. Here there cannot be and there must not be *neutral* nations.

THE ITALIAN FASCISTI, POLITICAL CRUSADERS

WITHIN recent months the cable dispatches from Italy have referred often to the Fascisti, in political comment; but if one has failed to form an intelligent conception of who they are and what their aim is he need not be ashamed of his ignorance.

An Italian journalist, Giuseppe Prezzolini, endeavors in the September *Century* to tell American readers something about this new political movement. He reminds us first that in the American sense political parties do not exist in Italy. Only two groups, the Socialist and the Clerical, have anything approaching the organization of the American political party.

Fascismo, this Italian writer declares, is a vague, a formless movement; it is a state of mind, a spontaneous understanding, rather, of certain elements in the Italian population. It is almost a matter of temperament. We look in vain for a coherent body of political opinion among the Fascisti. Some are republicans, but others profess devotion to the monarchy. Some are socialists, anarchists, while others are extreme conservatives.

The Fiume episode was the great expression of the Fascisti spirit in the first phase of the movement. Here the paramount issue was the country's foreign policy, and the Fascisti organizations which originated then were composed principally of ardent patriots with imperial ambitions, and demobilized officers and soldiers who had not hastened to return to the humdrum affairs of peace.

The emblem adopted was the Fasces—an axe surrounded by a bundle of rods—used as a sign of office in ancient Rome and symbolizing force and strength. That emblem gave the name to the movement.

In the second phase of *Fascismo*, the point in question was domestic policy—Socialism. The provinces of Emilia and Romagna were suffering from a "dictatorship of the proletariat," which had existed for two years after the armistice. Labor in Italy, it will be remembered, was in an ugly frame of mind. On any or no pretext strikes were called with or without notice. In Emilia and Romagna, provinces which are solidly Socialistic, the practice of boycott against landowners and their agents had become intolerable. First a punitive system of terror, it grew into a system of communistic government by blackmail. The failure of the authorities at Rome to heed criticisms and protests explains the origin and spread of the Fascista movement in these northern provinces, where it represents the uprising of a tormented public against the abuses of violent radicalism. Bands of young men, from fifty to two hundred in number, would descend upon the Socialist stronghold in resurrected army camions, carrying rifles and machine guns. The headquarters was usually burned, and the Socialist deputies or leaders were sometimes hazed, beaten, or even killed.

With the general elections of last May



A GROUP OF FASCISTI, WITH A GIRL MEMBER OF THE ORGANIZATION—A FASCISTA—IN THE FOREGROUND

the Fascista movement entered on a third political phase. Every town in northern and central Italy had its Fascista organization, and the middle classes generally seemed to have intrusted leadership to its young patriots. This native journalist asserts, however, that there was no unity of principle and he cites a ludicrous instance of rallying to the Fascista banner by those whose abuses had been among the justifications for the

movement itself. Fifteen Deputies were elected as Fascisti.

Signor Prezzolini asserts that the only principle of unity existing among the Fascisti is anti-Socialism; that the movement is in notable part an agitation of ex-soldiers, many of whom are peasants; that its immediate goal has not been achieved, and that its end as a spectacular phenomenon is already in sight.

A WOMAN IN PARLIAMENT

IN the British House of Commons Lady Astor has now served for more than a year and a half as the only woman member. An interview in *Pearson's Magazine* (London) tells of her work and experiences amid the novel surroundings.

Lady Astor was asked whether she found anything about the House of Commons amusing:

"There is one thing," she said, "that does strike me as funny. One reads the election addresses of candidates for Parliament, and one looks at the speeches in the newspapers. Mr. So-and-So tells the electors what he will do when he gets into the House, how he will make things hum. He will demand this, he will protest against that, and the electors feel that at last they have got a 'strong' if not a 'silent' man. He is elected, and he makes his debut in the Mother of Parliaments. From my seat I watch the conquering hero come. But when he appears, so often his bravery is vanished, his demands forgotten. Timidly he steps upon the floor of the House, and after his introduction he creeps to his seat as meekly as any of the rest of us. It is a tremendous lesson in not taking oneself too seriously, and I always feel thankful that I didn't boast of what I would do when I got into Parliament."

Lady Astor has six children, and so the interviewer asked whether a woman's duty to her family could be combined with the duties of an M.P. Her answer may amuse our women readers:

"I think it depends on circumstances," she replied. "Naturally a woman must see that her children don't suffer in any way. But with a little management I don't think it need be a barrier in many cases. That reminds me of a rather nice story. Soon after I took my seat, I went to speak in three provincial towns about temperance. After my first meeting, an afternoon one, my husband rang me up from home to know how I had got on. I told him about the speech and the audience, and then I asked him how he was getting along. 'Oh,' he said, 'I am just going to put the children to bed!'"



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TWO WOMEN LEGISLATORS

(At the left, Miss Alice Robertson, member of the U. S. House of Representatives from Oklahoma; at the right, Lady Astor, member of the British Parliament)

To be an M.P., a conscientious M.P., is, Lady Astor has found, hard work, as she is free to admit:

"I work about fourteen hours a day most of the time. You see so many pictures of comfortable old gentlemen dozing on the back benches that you don't realize what it means to be the only woman there. The actual debating is only a part of the work, though that is a case for pretty good concentration when you've got a speech to make in the discussion yourself. But there is also the lobbying—explaining to other Members about bills you are interested in, and trying to stir up enough interest in them to make them come and vote. Then there is the committee work, after bills have passed their second reading, when their opponents will do what they can to kill or cripple them. Then there are departmental committees, like the Home Office Committee on Women Police, and the Joint Committee of the Lords and Commons on the Criminal Law Amendment Bill, which met for months several times a week to hear evidence, of both of which I was a member."



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THE WORLD'S MOST CONGESTED AUTOMOBILE THOROUGHFARE—FIFTH AVENUE, NEW YORK CITY

THE FUTURE OF THE AUTOMOBILE INDUSTRY

HAS the limit been reached in the number of automobiles which the American people can use, or is such an event likely in the near future? This question has found a place in the minds of many people as they note the tremendous increase in the automobile industry during the last few years. So stupendous has been the output of machines that it evidently cannot continue at this rate for many years longer, for a limit will have been reached.

Some valuable conclusions relating to this topic have been drawn by Leonard P. Ayres, vice-president of the Cleveland Trust Company, and a recognized statistical expert, in a pamphlet which has recently been circulated. The subject has been gone into in detail and the results tabulated.

Mr. Ayres says that although the total population of the country is 105,000,000, the number of possible car-buyers is less than 20,000,000. This is the approximate number of white American families, but not every one who could afford a car will buy one, as many potential car-owners are engaged in pursuits which render driving a motor car impossible. At the end of 1920 there were forty-two cars in use for every

100 white men of voting age. In several States, notably Iowa and California, the entire population might be crowded into the automobiles registered there.

The writer finds it doubtful if there will ever be a larger sale of high-priced cars than at the present day. Cheap cars have swelled the ranks of motordom in the last few years, and it is to the cheap cars that the phenomenal increase in numbers is due. He also claims that the cheap car is the machine of the future, as the wealthy have purchased high-priced cars almost to the limit. The markets of the future lie with the poor, and this will make for a reduction of car prices.

Relating to this, it has recently been announced that the prices of all models of the Ford car have been materially reduced again. The production of these cars during the month of August broke all previous records, reaching a total of 117,696 machines of all types. This is an indication of the tendency in prices, and it also shows the demand for small cars, as pointed out by Mr. Ayres in his investigations.

To estimate the possible purchasers of cars, 44 out of each 100 persons are under twenty-one years of age, and four in each

100 are over sixty-five years old. This leaves 52 per cent. of the people from whom the buyers must come. Seventeen per cent. of the 52 per cent. are either foreigners or colored people, and these classes are very seldom purchasers. This leaves 35 per cent., native-born white men and women of from twenty-one to sixty-five years of age. But the women are, in the main, the wives of the men. Out of a total population of 105,000,000 this leaves about 19,000,000 persons to whom cars may be sold, and possibly half of these are already owners. Statistics thus show that the number of potential owners in this country is much smaller than has been supposed. For although every family would like to own a car, more than half the income-receivers get less than \$1000 a year.

Only a prolonged period of business depression can force owners to give up their cars, and Mr. Ayres does not believe that there is any chance of a decrease in the number of cars in use. On the other hand, he finds it most unlikely that the number of cars in use at present will be doubled. If this should happen he says that some motive power other than gasoline would have to be developed. Although the number of cars will increase, it will be at a much slower rate than heretofore. Registration figures show that in 1914 there were less than 2,000,000 cars in the United States, while in 1920 there were in excess of 9,000,000, an almost unbelievable growth in so short a time. Obviously this phenomenal increase cannot continue indefinitely.

FREIGHT CONGESTION ON AMERICAN RAILWAYS

AN article by Mr. John Lathrop in the *Scientific American* (New York) is headed "Twenty Miles a Day." The reader who does not possess an intimate knowledge of railways learns with amazement that this heading has reference to the average movement of freight cars over American roads *where conditions are particularly favorable*. On other roads freight moves even less expeditiously, in some cases not averaging much more than half a mile an hour!

Delays in the receipt of goods shipped by freight are commonly attributed to "car shortage." Mr. Lathrop plausibly maintains the paradoxical thesis that to increase the rolling stock of the railways would merely add to these delays. He says:

Every engineer—every scientist, indeed—knows the "neck of the bottle" principle as applied to the flow of railway traffic; that the loaded cars of a railway system may not pass along the lines any faster than the terminals will permit; and that the movement of freight in normal years has for long been slow enough to give haulage by water through the Canal from New York to San Francisco in less time than that required for shipment, transcontinent, by land.

Probably not everyone who has speculated on these matters has stopped to think that, in the very nature of the case, congestion could not be caused by car shortage—a proposition at once unscientific and absurd. Slow movement of freight and congestion are resultants from inadequate terminal facilities; from failure properly to engineer the lines.

Fifteen years ago, says Mr. Lathrop, the late James J. Hill declared that a billion dollars a year ought to be spent for ten years on railroad terminals in order to provide reasonable facilities for the movement of freight.

Instead of giving heed to what Mr. Hill said with a world listening, and to what the engineers were saying each to his own superiors, conventions adopted resolutions denouncing "car shortage," and demanding that more cars be bought and more locomotives placed in commission. Even the Interstate Commerce Commission named a sub-commission to hold hearings at stated traffic center points, on "car shortage."

But these hearings developed that, not more cars, but better terminals, were the conditions precedent to solving freight congestion, together with some reforms in loading and unloading practices. It came out at last that, were more cars bought, congestion would be worse. That that which was needed was to increase the miles per car per day movement. For, the true test of economical haulage is the number of miles per day we move our freight—and not the number of cars in existence which are loaded or ready to be loaded.

The best record of an American railway up to 1915 had been made by the Pennsylvania system—25.6 miles per car per day, a trifle more than one mile an hour. About that time Mr. Underwood, of the Erie, put into operation that road's improved terminals, and soon achieved a per car per day movement of 31 miles.

However, the aggregate of American railways never attained an average of more than 16 to 17 miles per car per day; and in many years the average fell so low as 13 to 14. These freight cars, on a countrywide average of a little more than one-half mile an hour, were so slow-moving

because (a) there was some delay in loading by consignors; (b) some delay in unloading by consignees; but (c) mainly, because loaded cars ready for haulage and empties ready for loading were detained in terminals where the glut was so great that the railway operating department could not move them out.

This is the clearer when one considers that American freight trains move up to 24 miles an hour, or at the rate of 576 miles per 24-hour day, while they are en route between stations.

A fundamental defect of the present transportation systems is the lack of facilities for routing through freight around rather than through congested terminals. On this subject the writer says:

Consider Chicago—greatest rail terminal in the world—with millions of through tonnage dumped

into a stagnant pool where congestion foredooms it to remain, sometimes for months, until some leak may be inflected into the dam that it may flow onward to perform its seriously delayed economic function for the Nation. Why should freight Duluth to Cleveland, for instance, pass through Evanston and Chicago? And so on *ad infinitum*. Chicago itself would be signally benefited were all through freight routed so as never to enter that city. And so would any other city the terminals of which are glutted with through cars destined to pass onward, the seats unbroken, to points beyond.

It is true that a beginning has been made—classification yards such as those near to Syracuse, and some routing so as to avoid congested terminals. But it is the judgment of railway engineers that the vitality of the issue is not appreciated to one-tenth of its importance by the general mass of railway financiers, operators, legislators, and shippers.

THE ILLS OF THE COAL INDUSTRY

THE present situation of the coal industry is one of the gravest economic problems confronting the people of this country. Unwise methods of production, distribution, and utilization of coal have imposed a staggering burden of unnecessary expense upon the nation. That in certain quarters active measures have been inaugurated to alleviate these evils was recorded in the article, "Distributing Power from a Coal Mine," published in this department last month. The mouth-of-mine power plants near Pittsburgh and the more ambitious project of distributing both electricity and gas from a coal mine, launched by Allied Power Industries in Ohio, are hopeful steps in the right direction; but the coal problem is a many-sided one, and the first thing to be done toward solving it is to make the public realize the nature and the magnitude of the ills that require correction. This task is assumed in current numbers of the *World's Work* by Mr. Floyd W. Parsons, who, besides being a well-known publicist, is a veteran coal expert and was long editor of the *Coal Age*. He writes:

It is impossible to discuss coal-mining prices and problems without first pointing out the two besetting sins of the industry. The first, if not the most important, is the seasonal operation of the mines. The seasonal nature of coal-mining is more responsible for the industry's labor troubles and for the dissatisfaction on the part of the miners than any other one thing. No class of workmen ever has been satisfied with seasonal employment. Not long ago American miners demanded a six-hour day; not because they were dissatisfied with the number of hours they had to work, but for the reason that they

were determined to bring about an equalization of the work.

After pointing out the limited possibilities of storing coal and thereby enabling the mines to continue their work without regard to temporary fluctuations of the market, Mr. Parsons says:

Since 1890 the bituminous coal-mines in the United States have worked only 83 per cent. of a normal 300 days each year. In 1914 the mines worked only 195 days. In 1919 the average days worked were about the same as in 1914. A careful investigation has shown that the cost of mining coal at one colliery will vary as much as 60 cents a ton from one month to another, depending on the number of hours the mine is idle. A manufacturing plant may be closed and only a watchman left to guard it, but in coal-mines the forces of nature work unceasingly, and as a result the cost of upkeep continues at a high rate, even if coal is not produced. During the summer months the production of bituminous coal in the United States often falls as low as 23,000,000 tons per month, while in the winter season the production of soft coal will average upward of 50,000,000 tons per month. It should be plain, therefore, that any industry having more than 100 idle days each year, and a seasonal variation of 100 per cent. in output, cannot be operated on an economical basis.

The failure to equalize the load in coal-mining has still other effects that are far-reaching. The railroads of the country own approximately 1,000,000 coal-carrying cars. Coal furnishes about 34 per cent. of the nation's total railroad tonnage. On certain roads the transportation of fuel amounts to 60 per cent. of the total freight moved. As the business is now conducted, the so-called coal-carrying lines must store thousands of their coal cars during the summer months. This practice increases railroad expenses, for cars in storage not only afford no revenue but they deteriorate rapidly during the

period of disuse. In the fall months, when the rush commences, the railroads must gather together a small army of workmen, which force is subjected to expensive training in order to fit it properly to repair and handle coal cars.

The second great sin of the coal-producers and the coal-users, says the writer, is waste. Under this head he declares that 195,000,000 tons of bituminous coal is now burned raw, annually, that should be coked, and that if but two-thirds of this tonnage could be subjected successfully to treatment for the recovery of by-products, the saving would amount to something like \$200,000,000 a year.

The urgent need of minimizing the present excessive transportation of coal, which furnishes the chief *raison d'être* of such undertakings as mouth-of-mine central power plants, is shown by the following statements:

On a long haul, approximately one-half of the price paid for coal goes to cover freight charges. A few years ago coal could be shipped from the mines in southern West Virginia to Hampton Roads for \$1.40 a ton. At the present time this haulage cost is about \$2.38. Five years ago coal could be shipped by water to New England for 50 cents a ton; to-day the charge is from \$2.50 up, an increase of 500 per cent. At the commencement of the war, coal could be shipped from the Georgia Creek field in Maryland to a nearby Eastern city for \$1.18; the present charge is \$2.53. The cost of bringing coal from this

same field in Maryland to a float on the Hudson River at New York is \$3.36. In other words, it costs more to bring a ton of bituminous coal from the mines to a big Eastern city than it does to mine the coal and put it on the railroad cars.

Wages, like freight rates, are higher than ever before; and both have been fixed by commissions created by the Government. On the subject of Government interference, Mr. Parsons says:

Notwithstanding our recent experience in substituting official incompetence for the efficiency of private management, there is a widespread belief that the Government is infallible. Federal employees receiving \$3000 or \$4000 a year are permitted to render decisions of the greatest importance with regard to the regulation of industries, the practical problems and principles of which are entirely foreign to their experience and training. There is great danger in encouraging the idea, now being advanced in Great Britain, that it is proper to tax the public to pay high wages to workmen in basic industries.

In his second article (September) Mr. Parsons makes practical suggestions which may enable the householder in the management of his fuel supply to save money and help national prosperity at the same time. He also goes into the question of natural gas. Comparing the British coal trade with the American, Mr. Parsons shows how our coal supply can give us a leading place in world trade.

THE RISE OF INDUSTRIAL ALCOHOL

THAT within a few years, alcohol, or fuels with an alcohol base, will largely or entirely replace gasoline as a fuel for motor cars is the prediction of Mr. Harry A. Mount, who tells in the *Scientific American* of the very rapidly increasing importance of alcohol in its various industrial applications.

To the average man "alcohol" means primarily the characteristic and essential ingredient of certain beverages. Everybody knows, of course, that this substance, or rather group of substances (since there are several kinds of alcohol), serves a number of uses in the arts and industries, but few people realize either the extent or the diversity of these uses. The manufacture of industrial alcohol is a comparatively new industry in this country. In 1907 our total production was not much over 3,000,000 gallons. An immense increase was brought about by the world war, when alcohol

was used on a large scale in the manufacture of munitions, and in the year 1918 more than 90,000,000 gallons was produced. That the maintenance of large-scale production is by no means dependent upon the demands of warfare will be evident from the following partial enumeration of the uses to which alcohol is applied:

The most important use for industrial alcohol is that of a solvent. Indeed, chemists say that the only solvent of equal importance is water. Alcohol as a solvent for dyes and confectioners' colors is of great importance. In the development of gelatine food products considerable alcohol has been used as a solvent for the coloring matter. If it were not for the solvent properties of alcohol we would not have such commodities as perfumes, liquid soaps, toilet waters, liniments, flavoring extracts, etc. Large quantities are used in this country in the making of "solidified alcohol" as a fuel under chafing dishes and small portable stoves.

Alcohol is used as a raw material in the making of ether, mercury fulminate, chloroform, cer-

tain toxic gases such as mustard gas, and in many other drugs and chemicals. Alcohol lightens the housewife's burden in many well-known ways. Its medicinal value is also well known and large quantities are used in hospitals.

Alcohol is also used in quantities as a dehydrating agent in the manufacture of photographic films and in the preparation of photographic prints. It is used as a precipitating agent in a number of chemical processes. It enters into the manufacture of inks, celluloid, shellacs, disinfectants, etching solutions, soldering fluxes, etc.

After exhaustive tests of various anti-freeze mixtures for auto radiators, the Bureau of Standards has recommended alcohol as least harmful.

A British Government report reveals the use of alcohol in important quantities in the making of many other articles, as electric lamp filaments, linoleum, felt, fireworks, matches, steel pens, artificial silk, rubber, printing, dyeing and cleaning operations in laundries, etc.

One of the newest, for instance, is its utilization in the purification and separation of gum turpentine. Only a small percentage of the resin produced now is marketable, because of bad color. It has been found that gum turpentine is soluble in alcohol and foreign matter, such as twigs and insects, can then be easily removed. Distillation separates the alcohol, which can be used again, from the turpentine and resin, which are clear and of the highest grade.

To this list should be added the potential use of alcohol, already mentioned, to replace gasoline as a fuel for internal-combustion engines. The growing importance of alcohol brings to the front the problem of its cheap production. The raw materials from which it can be obtained are almost unlimited in variety and quantity, but this does not mean that it can be made cheaply. The writer says:

Large quantities of industrial alcohol were made in Germany before the war from a potato grown especially for the purpose. In this country much of the alcohol is manufactured from "black strap" molasses, which until a few years ago was a waste product of the Cuban cane sugar industry. The chief difficulty is that all of these products, which are available in sufficient quantity, are also useful as food and their price does not depend on the alcohol they will produce, but on their value as foods.

There are, however, many materials from which it is theoretically possible to obtain alcohol, which are about us in inexhaustible quantities and which are not used for food. Alcohol may be had from any material containing cellulose, such as wood, grasses and vegetation of all kinds. It is perfectly possible to make alcohol from hay or straw, but the difficulty is with the process. It is first necessary to break down the cellulose so that sugar is obtained and this is fermented in the usual way. It requires, however, a complicated process and a large amount of power to first obtain the sugar. The process has proved so expensive that the alcohol from this source cannot compete in price with that made from food products. There is, of course,

the chance that someone will find a way to do this cheaply, but the odds are against any such discovery because some expense will always be necessary before the starting point of the fermentation process is reached.

The chemists are not discouraged, however, and already some very promising possibilities are opening up, though they have not yet arrived at the commercial stage.

In one of these the bacteriologist has come to the rescue with the promise that he will soon discover a bacterium which will have the power to convert cellulose materials directly into alcohol. The promise is a plausible one for the reason that this very thing has been done on an almost infinitesimally small scale. It is admitted that a new bacterium must be found to accomplish the result on a commercial scale. An intensive search for this is being made by competent scientists, and there is very good reason to hope for success. If this search ends favorably the effect will be revolutionary.

The second basis for the hope that cheap alcohol is not far off is in experiments, being conducted largely in Europe, to extract alcohol from mineral sources. A chemical engineer who has just returned from an investigation of activities reports that very great progress is being made and that literally hundreds of experiments of a more or less extensive nature are going on. Europe has always led America in the manufacture of industrial alcohol, chiefly because we have so far been blessed with a plentiful supply of petroleum, which had only to be taken from the ground.

In Switzerland, where cheap water power is available, it is said that successful plants have been erected for making alcohol from calcium carbide. The carbide is first made in the regular way in the electric furnace and is then converted into acetylene by means of the action of water. Alcohol may be produced from the acetylene in two or three ways by catalytic action.

In England alcohol has been successfully produced from ethylene obtained from coal and coke oven gases.

There is one other possibility for cheap alcohol which deserves more than passing attention at this time. This is the chance that we will find in the tropics some plant or plants rich in starch or sugars, which could be used for making alcohol, but which is not used as a food.

The nipa palm, for instance, may serve as a source for industrial alcohol. It is said there are over 100,000 acres of nipa swamp in the Philippines, of which about 90 per cent. has never been touched, and it is estimated that this untouched swamp area could be made to yield 50,000,000 gallons of alcohol every season. Various specimens of the agave and cactus are used in Mexico and the southwestern part of the United States in making alcoholic drinks and it is considered possible that some day these plants may be an important source of industrial alcohol. There are many other tropical plants which may be used, but the expense of transporting them to existing alcohol plants, the difficulties of establishing new plants in the tropics and the great distance from the markets all argue against any revolutionary development in this direction.

HELPING THE FARMER'S BUSINESS

AGRICULTURE is a business as well as an art. This fact is fully recognized by the United States Department of Agriculture, which has always devoted a certain share of its attention to the economic side of farming. Just now there appears to be urgent need of enlarging the activities of the Department in this direction on account of the serious agricultural depression from which the country is suffering, and accordingly the Secretary of Agriculture has taken steps to merge into one effective unit the Bureau of Markets, the Bureau of Crop Estimates and the Office of Farm Management and Farm Economics. The first two of these bureaus were actually united on July 1, by authority of Congress, while the third is working in close coordination with the others, pending Congressional action to merge it with them. These noteworthy reforms are described and explained in the *Weekly News Letter* of the Agricultural Department (Washington, D. C.) in the following terms:

Soon after taking office, Secretary Wallace appointed an economic council made up of the chiefs of several bureaus in the department. The members of this council are Dr. E. D. Ball, Assistant Secretary of Agriculture, chairman; Dr. H. C. Taylor; Dr. W. A. Taylor, Chief, Bureau of Plant Industry; Dr. J. R. Mohler, Chief, Bureau of Animal Industry; and L. M. Estabrook, Associated Chief of the Bureau of Markets and Crop Estimates. Secretary Wallace asked this council to make a careful study of the economic work of the department with the purpose of coordinating and strengthening it. The council in turn consulted with a number of experts from different parts of the country and the reorganization plan was finally drawn and approved.

The reorganization is the result of Secretary Wallace's determination to marshal all the forces of the Department of Agriculture engaged in economic work into one fighting unit to attack the economic evils that have brought about the present serious situation in American agriculture. Mr. Wallace, in his first official statement as Secretary of Agriculture, declared that the agricultural depression was "the inevitable result of economic conditions." Proceeding from this diagnosis, he prescribed for the disease in the same statement as follows: "We must study everything which influences both production and price. We must look into the matter of competition from farmers of foreign lands where the agriculture is still being exploited and where wages and the standards of living are very much below the standards which we demand for our people. We must look into world conditions both of supply and of demand, and produce more intelligently and adjust our various crops to the probable needs. We must look into the administration of our credit machinery." That may be taken as the program of the new unit in the department.

Various regulatory activities of old bureaus above mentioned—i. e., the administration of laws pertaining to marketing, such as the Grain Standards Act, the Cotton Futures Act, the Standard Container Act, and the Warehouse Act—will be placed under a quasi-independent branch of the Department, which will probably be called the Federal Agricultural Marketing Board. The research and service work relating to agricultural economics will then be grouped in ten divisions, described as follows: (1) Farm management, or the organization of production. (2) Cost of production and distribution. (3) Land economics. (4) Marketing of farm products, or the organization of distribution. (5) Agricultural prices and statistics. (6) Agricultural readjustment, or agricultural history and geography. (7) Agricultural finance. (8) Agricultural competition and demand in foreign countries. (9) Country life and rural organization. (10) Extension service; through which the Bureau "will carry the results of its studies and investigations to the people." This is admittedly a "large order."

It is relevant to the program above outlined to quote the following statements from a bulletin just issued by the newly constituted Bureau, on "Prices of Farm Products in the United States":

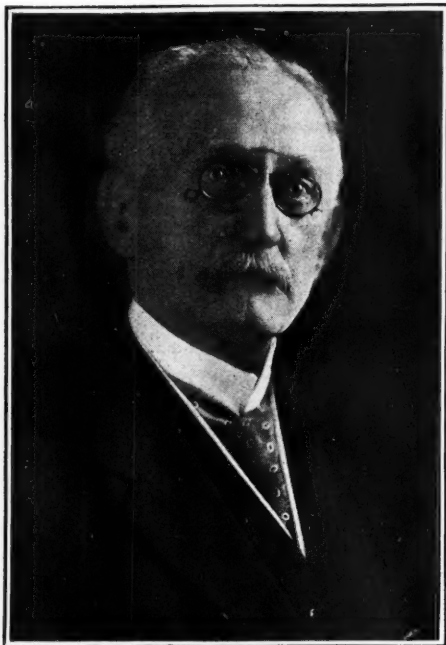
The nation is not only confronted with the most violent drop in prices that it has ever experienced, but agricultural prices have dropped so much more than other prices that we have a severe agricultural panic on top of a severe general depression.

At first thought the city consumer of farm things is likely to delight in low prices of farm products and high prices for city products. The farm consumer of city things is equally likely to delight in low prices of city goods and high prices of farm products. But neither can long prosper at the expense of the other.

Even allowing for the drop in wholesale prices, farmers can now (1921) buy only about two-thirds their usual amount. In very large areas at centers of production their buying power is not half of the normal. If farmers cannot buy, cities cannot sell, and unemployment results. Neither industry nor agriculture can progress in a normal way until the relative prices become adjusted at some comparatively stable price level. This would occur if all prices and wages went to pre-war levels, which farm products have nearly reached. The adjustment which seems more likely to occur and the one that would appear to cause the least injustice is to have the very low prices rise and some of the very high prices drop so that adjustment is made at a price level considerably above the pre-war price.

THE NEW BOOKS

MODERN WORLD POLITICS



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HON. DAVID R. FRANCIS

Russia from the American Embassy: April, 1916-November, 1918. By David R. Francis. Charles Scribner's Sons. 361 pp. Ill.

Mr. Francis was American Ambassador to Russia during the last thirteen months of the Czar's government. He continued to represent the United States under the Provisional Government for eight months, and then remained in the country from the beginning of the Bolshevik Revolution until within five days of the armistice, when a surgical operation required his removal to a hospital in London. Mr. Francis watched the spasmodic manifestations of Bolshevism during the summer of 1917, and the culmination in the autumn of that year. For more than a year he was in a position to see the workings of the Bolshevik experiment. In preparing the present volume Mr. Francis has drawn freely upon his daily journal of incidents, interviews and impressions, upon his voluminous reports to the State Department, and upon personal letters to his family, friends and business associates. Thus, in some measure, the reader is permitted to share in Mr. Francis' observations of the shifting scenes in the drama of Russia's recent history.

The World in Revolt. By Gustave Le Bon. Macmillan. 256 pp. Ill.

The author of "The Psychology of the Crowd" reviews in this new volume the special psychological factors that entered into the fighting of the Great War, discusses the part taken by America, and expresses views of his own regarding the place of Socialism and Bolshevism in the modern world state. Dr. Le Bon is a scholar of unquestioned standing in his department.

Sea Power in the Pacific. By Hector C. Bywater. Houghton Mifflin Co. 334 pp. With maps.

If this book had been written with particular reference to the forthcoming conference at Washington, its contents could hardly have been more appropriate or timely. It is an expert's examination of the American-Japanese naval problem, including not merely a survey of the points at issue, but detailed descriptions of both the American and the Japanese navies. There are chapters on "Strategy in the Pacific," "Possible Features of a War in the Pacific," and "War or Peace?" "Political and Economic Factors." The point of view is distinctly British. The book is intended as an unbiased and authoritative presentation of the facts essential to a clear understanding of what war in the Pacific would really mean.

The Fruits of Victory. By Norman Angell. The Century Company. 338 pp.

In this volume the propositions set forth in "The Great Illusion," by the same author, are reexamined in the light of the World War. In the main, his argument is economic. Since many nations are unable to produce what they need, a flow of goods across national borders is absolutely necessary. The world must learn to produce what it needs most advantageously by agreement, and distribute it freely where it is needed. Competition for national power only paralyzes these coöperative processes.

Men and Manners in Parliament. By Sir Henry Lucy. E. P. Dutton & Co. 259 pp. Ill.

Clever word-pictures of men who were conspicuous in British Parliamentary life a half-century ago. These pen portraits originally appeared as a series of articles in the *Gentleman's Magazine*. As a student at Princeton, Woodrow Wilson read them with intense interest, and because of the knowledge of British public affairs that they gave him Mr. Wilson in later years was accustomed to refer to Sir Henry Lucy as one of his instructors.

A Shorter History of England and Greater Britain. By Arthur Lyon Cross. Macmillan. 942 pp. Ill.

A compact text-book of British history whose chief distinction, perhaps, lies in the fact that it considers the relations between England and the Overseas Dominions from the viewpoint of today, while it describes the activities of both Britain and Greater Britain in the World War, along with the problems of government and administration which the war involved.

Europe Since 1870. By E. R. Turner. Doubleday, Page & Co. 580 pp. With maps.

College and university text-books can no longer ignore the Great War, and perhaps it is a good plan to survey the conflict as the culmination of a half-century of European history, beginning

with Germany's triumphs over Austria and France and the creation of the new German Empire. The author's viewpoint is that of world history, of which European history for the past half-century has been so great a part.

An Outline of Modern History. By Edward Mead Earle. Macmillan. 166 pp.

A guide to the study of modern history that can be used with advantage by students who do their work at home. It is rich in map studies and bibliographical notes.

Historical Source Book. By Hutton Webster. D. C. Heath & Co. 211 pp.

A reprint of great documents in our history, beginning with the Great Charter of 1215 and concluding with the Covenant of the League of Nations 1919.

AMERICAN HISTORY AND INSTITUTIONS

Towns of New England and Old England, Ireland and Scotland. 1620-1920. By Allan Forbes. G. P. Putnam's Sons. Part I. 225 pp. Ill. Part II. 225 pp. Ill.

These two volumes contain an unexampled collection of material, both text and pictures, relating to the early settlement of New England, and the towns of Old England, Ireland, and Scotland from which they derived their names and in some instances their founders. The text gives far more than a mere description of the parent towns, so-called, for it traces the relations that have been maintained, in some cases almost without a break, for nearly three hundred years, and in other cases resumed after long periods of apparent forgetfulness, between these parent towns and their namesakes in the New World. It will doubtless surprise many readers to learn that within recent years official and unofficial visits have been exchanged between places of the same name in New England and Great Britain. Such visits must do much to promote international friendships, and the publication of these two beautifully illustrated volumes is an appropriate incident of the tercentenary celebration of the landing of the Pilgrims.

The Rise of Cotton Mills in the South. By Broadus Mitchell. (Johns Hopkins University Studies in Historical and Political Science.) Baltimore: The Johns Hopkins Press. 281 pp.

The author of this study, himself a man of Southern birth, believes that the South was over-come in the Civil War "because it placed itself in opposition to the compelling forces of the age—by agency of the invention of the cotton gin held to slavery instead of liberty, insisted upon States' Rights instead of nationality, and chose agriculture alone rather than embracing the rising industrialism." He holds that as a result the task since 1865 has been "to liberalize the South in thought, nationalize it in politics, and industrialize it in production." From this viewpoint

he analyzes the cotton industry in the South, giving chief attention to its beginnings rather than to its more recent development. He makes an interesting contribution to our knowledge of the South's industrial progress.

Johns Hopkins University Studies in Historical and Political Science. Baltimore: The Johns Hopkins Press. 214 pp.

The thirty-eighth volume of the invaluable Johns Hopkins University Studies in Historical and Political Science contains monographs on the United States Department of Agriculture, the Amalgamated Association of Iron, Steel and Tin Workers, and the employment of the plebiscite in the determination of sovereignty.

The Life of Artemas Ward. By Charles Martyn. Artemas Ward. 334 pp.

A biography of the revolutionary patriot who preceded Washington as Commander-in-Chief of the American armies. The story is based largely upon manuscript materials in the historical libraries of New England.

The Story of Chautauqua. By Jesse L. Hurlbut. G. P. Putnam's Sons. 429 pp. Ill.

A book that is sure of a hearty welcome from at least two generations of loyal Chautauquans. A few are still living who were associated with Bishop Vincent and Lewis Miller in the founding of the Chautauqua Assembly, nearly fifty years ago. But the sons and daughters and grandchildren of those pioneers are legion. Dr. Hurlbut, who was with the enterprise almost from the beginning, compresses into this single volume the whole story of the Chautauqua movement and its meaning to America. After a perusal of this volume most readers, we venture to say, will accept without qualification President Roosevelt's dictum that "Chautauqua is the most American thing in America."

SOCIAL AND ECONOMIC DISCUSSIONS

Labor and Revolt. By Stanley Frost. E. P. Dutton & Co. 405 pp.

An outline of the most recent phases of the labor problem as they present themselves in America. The book was apparently written with special reference to the growing menace of Bolshevism and anarchy. The author, however, while he sees a danger to our institutions, fully believes in the ultimate triumph of the old-fashioned American common sense.

The Housing Famine: a Triangular Debate Between John J. Murphy, Edith Elmer Wood, Frederick L. Ackerman. E. P. Dutton & Co. 246 pp.

Points in the housing problem, elaborated and illustrated by three writers who have devoted years to an intensive study of the subject. In the present era of high building costs and increased taxation the public is in a position to welcome such suggestions as those presented in this triangular debate, especially when many of them are seen to be based on a careful review and analysis of economic conditions.

The American Railroad Problem. By I. Leo Sharfman. The Century Co. 474 pp.

Practically every treatise on American railroads became obsolete four years ago when the United States entered on a wholly new experience in railroad administration. This book is a scientific study of the American railroad problem in war and reconstruction. The publicist, the legislator, the business man, the shipper, the railroad security holder, as well as the executive and employee, will find in it a helpful discussion of matters that have not heretofore been treated in the standard works dealing with this general topic.

Merchant Vessels. By Robert Riegel. D. Appleton and Company. 257 pp. Ill.

This volume deals with the economics of shipping and transportation. One may get from it fresh and reliable information on the construction, types and uses of merchant vessels and their measurement. Diagrams and photographs are employed to illustrate the text. Abundant reference lists are included.

OTHER TIMELY PUBLICATIONS

The League of Nations at Work. By Arthur Sweetser. Macmillan. 215 pp.

By its explanation of the machinery of the League of Nations this book will help the American reader to better understand the developments in the Assembly meetings as reported by the newspaper press. The author was a member of the American Peace Commission, and later of the Provisional Secretariat of the League of Nations. He saw the beginnings and early stages of the League's growth and operation, and he fully understands the American viewpoint and attitude in relation to the League.

The Glass of Fashion. By a Gentleman with a Duster. G. P. Putnam's Sons. 176 pp. Ill.

The same "Gentleman with a Duster" whose "Mirrors of Downing Street" dealt in such a sensational fashion with England's political personalities, turns his attention in the present volume to English society. Without doubt he will succeed in retaining his reputation for ferocity and brilliancy.

How to Select Furnishings for the Home. By the Jacksons. *Good Furniture Magazine*, Grand Rapids, Mich. Two volumes.

Ideal color schemes for every room of the modern home are shown in the first volume, which

indicates the proper types of furniture and pictures to harmonize with the rugs, hangings, and wall covering, used in achieving desired effects. Incidentally, it shows how to combine various "period" styles to advantage and without bad taste. The second volume proceeds to picture complete poems in black and white, with pictures of individual pieces of furniture on the back of each page, together with dimensions. The work is most satisfying and should prove exceedingly useful in a homebuilding era.

"The Studio" Year Book of Applied Art, 1921. New York: The Studio, Ltd. 122 pp.

The *Studio Magazine* publishes this year in New York and London, in its series, an excellent volume edited by Geoffrey Holme, showing the new English conception of art applied in quantity production. It also contains some interesting architectural details from the English Haddon Hall, "The Hut" at Cowbeech Hill, and a few easily adaptable country homes. Furniture which is excellent and original, is shown from such designers as Ambrose Heal, Percy A. Wells, and P. Waals. The teakwood pieces from Joscelyne's of Johannesburg possess a massive beauty. There are also several well-done pieces of silverware and pottery, and some beautiful glassware of English and Swedish design which appears to be of exceptional artistic merit.

